

IN THE UNITED STATES DISTRICT COURT  
FOR THE SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION

United States Court  
Southern District of Texas  
FILED

FEB 11 2003

C.H.

Michael N. Milby, Clerk

In re ENRON CORPORATION  
SECURITIES LITIGATION

This Document Relates To:

MARK NEWBY, et al., Individually and On  
Behalf of All Others Similarly Situated,

Plaintiffs,

v.

ENRON CORP., et al.

Defendants.

C.A. No. H-01-3624

AND CONSOLIDATED CASES

**JURY TRIAL REQUESTED**

THE REGENTS OF THE UNIVERSITY OF  
CALIFORNIA, et al., Individually and On  
Behalf of All Others Similarly Situated,

Plaintiffs,

v.

KENNETH L. LAY, et al.

Defendants.

**THE INDIVIDUAL ARTHUR ANDERSEN DEFENDANTS'  
ANSWER TO THE CONSOLIDATED COMPLAINT**

Defendants Michael L. Bennett, Joseph F. Berardino, Debra A. Cash, David Stephen Goddard, Jr., Gary B. Goolsby, Michael D. Jones, Michael M. Lowther, Benjamin S. Neuhausen, Michael C. Odom, Richard R. Petersen, John E. Stewart, and William E. Swanson ("the Individual Andersen Defendants") respectfully submit this Answer to the Class Action

#1249

Consolidated Complaint for Violation of the Securities Laws as follows:<sup>1</sup>

The Individual Andersen Defendants respond generally that certain of the Individual Andersen Defendants performed auditing and accounting services relating to various entities and transactions discussed in the Complaint, and in the course of performing such services were provided information relating to such entities and transactions in the form of representations by various Enron personnel and others and in the form of documents describing such entities and transactions. The Individual Andersen Defendants did not, however, personally form the entities at issue, nor were they parties to any of the transactions at issue, and therefore necessarily relied on the representations and documents provided by Enron personnel and others.

The Individual Andersen Defendants have subsequently received information through the investigations of Enron and otherwise that the information provided to Andersen and the Individual Andersen Defendants was, in certain instances, materially incomplete, inaccurate, misleading, and/or misrepresented. The Individual Andersen Defendants are not in a position to know at this time which representations and information provided to them were incomplete, inaccurate, misleading, and/or misrepresented, and, accordingly, are unable to admit or deny in most instances the facts set forth in the Complaint relating to such entities and transactions.

1. Answering Paragraph 1, the Individual Andersen Defendants respond that this paragraph does not state averments of fact and, as such, no response is required. Notwithstanding, to the extent that this paragraph requires a response, each of the Individual Andersen Defendants denies the averments therein to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

2. Answering Paragraph 2, each of the Individual Andersen Defendants denies the averments therein to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

---

<sup>1</sup> The Preamble does not state averments of fact and, as such, no response is required.

3. Answering Paragraph 3, each of the Individual Andersen Defendants denies the averments therein to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

4. Answering Paragraph 4, each of the Individual Andersen Defendants denies the averments therein to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.<sup>2</sup>

5. Answering Paragraph 5, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

6. Answering Paragraph 6, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

7. Answering Paragraph 7, the New York Times article cited therein, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

8. Answering Paragraph 8, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

9. Answering Paragraph 9, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

10. Answering Paragraph 10, each of the Individual Andersen Defendants denies the averments therein to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

11. Answering Paragraph 11, each of the Individual Andersen Defendants denies the averments therein to the extent they refer or relate to him or her, and otherwise lacks knowledge

---

<sup>2</sup> Immediately following this paragraph, Plaintiffs have included one of numerous quotations found intermittently throughout the Complaint. Such quotations do not appear to be averments of either fact or law and, as such, the Individual Andersen Defendants reply that no response is required. The Individual Andersen Defendants further reiterate this response for any such quotations that either proceed or follow this particular quotation.

or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

12. Answering Paragraph 12, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

13. Answering Paragraph 13, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

14. Answering Paragraph 14, each of the Individual Andersen Defendants denies the averments therein to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

15. Answering Paragraph 15, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

16. Answering Paragraph 16, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

17. Answering Paragraph 17, the Individual Andersen Defendants respond that this paragraph contains statements that do not constitute averments of fact and, as such, no response is required.<sup>3</sup> To the extent a response is required, each of the Individual Andersen Defendants denies the averments therein to the extent they refer or relate to him or her, and otherwise lacks knowledge and information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

18. Answering Paragraph 18, each of the Individual Andersen Defendants denies the averments therein to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

19. Answering Paragraph 19, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

---

<sup>3</sup> The Individual Andersen Defendants further incorporate this objection into the numerous paragraphs of this Complaint that contain such hyperbolic statements. To wit, paragraph 18 states that Enron “was a hall of mirrors inside a house of cards . . . .” The Individual Andersen Defendants know of no appropriate response to such contentions.

20. Answering Paragraph 20, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

21. Answering Paragraph 21, the Individual Andersen Defendants respond that the third and fourth sentences of this paragraph state conclusions of law and, as such, no response is required. To the extent a response is required, each of the Individual Andersen Defendants denies the averments therein to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

22. Answering Paragraph 22, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

23. Answering Paragraph 23, each of the Individual Andersen Defendants denies the averments therein to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

24. Answering Paragraph 24, each of the Individual Andersen Defendants denies the averments therein to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

25. Answering Paragraph 25, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

26. Answering Paragraph 26, each of the Individual Andersen Defendants denies the averments therein to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

27. Answering Paragraph 27, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

28. Answering Paragraph 28, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

29. Answering Paragraph 29, the Individual Andersen Defendants lack knowledge or

information sufficient to form a belief as to the truth of the averments made in this paragraph.

30. Answering Paragraph 30, the Individual Andersen Defendants respond that the cited passages from Business Week, Bloomberg and the Washington Post, if accurately cited, speak for themselves. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

31. Answering Paragraph 31, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

32. Answering Paragraph 32, each of the Individual Andersen Defendants denies the averments therein to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

33. Answering Paragraph 33, each of the Individual Andersen Defendants denies the averments therein to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

34. Answering Paragraph 34, the Individual Andersen Defendants respond that the averments in this paragraph do not state an averment of fact and as such, no response is required. To the extent a response is required, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

35. Answering Paragraph 35, each of the Individual Andersen Defendants denies the averments therein to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

36. Answering Paragraph 36, the Individual Andersen Defendants respond that this paragraph contains conclusions of law which do not require a response. To the extent a response is required, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

37. Answering Paragraph 37, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

38. Answering Paragraph 38, each of the Individual Andersen Defendants denies the averments therein to the extent they refer or relate to him or her, and otherwise lacks knowledge

or information sufficient to form a belief as to the truth of the averments made in this paragraph.

39. Answering Paragraph 39, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

40. Answering Paragraph 40, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

41. Answering Paragraph 41, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

42. Answering Paragraph 42, each of the Individual Andersen Defendants denies the averments therein to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

43. Answering Paragraph 43, each of the Individual Andersen Defendants denies the averments therein to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

44. Answering Paragraph 44, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

45. Answering Paragraph 45, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

46. Answering Paragraph 46, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

47. Answering Paragraph 47, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

48. Answering Paragraph 48, each of the Individual Andersen Defendants denies the averments therein to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

49. Answering Paragraph 49, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in the chart in this paragraph.

50. Answering Paragraph 50, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

51. Answering Paragraph 51, the Individual Andersen Defendants respond that the Fortune and Business Week articles, if accurately cited, speak for themselves. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

52. Answering Paragraph 52, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

53. Answering Paragraph 53, each of the Individual Andersen Defendants denies the averments therein to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

54. Answering Paragraph 54, each of the Individual Andersen Defendants denies the averments therein to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

55. Answering Paragraph 55, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

56. Answering Paragraph 56, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

57. Answering Paragraph 57, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

58. Answering Paragraph 58, each of the Individual Andersen Defendants denies the averments therein to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

59. Answering Paragraph 59, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

60. Answering Paragraph 60, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

61. Answering Paragraph 61, the Individual Andersen Defendants respond that the



October 16, 2001 Enron press release and other public statements speak for themselves. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

62. Answering Paragraph 62, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

63. Answering Paragraph 63, each of the Individual Andersen Defendants denies the averments therein to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

64. Answering Paragraph 64, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

65. Answering Paragraph 65, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

66. Answering Paragraph 66, the Individual Andersen Defendants admit Enron filed for bankruptcy on or about December 2, 2001. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

67. Answering Paragraph 67, each of the Individual Andersen Defendants denies the averments therein to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

68. Answering Paragraph 68, the Individual Andersen Defendants respond that this paragraph states conclusions of law to which no response is required. The Individual Andersen Defendants admit that Congress launched an investigation relating to Enron. The Individual Andersen Defendants further respond that the Congressional testimony cited therein speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

69. Answering Paragraph 69, the Individual Andersen Defendants respond that the Newsweek article, if accurately cited, speaks for itself. The Individual Andersen Defendants

lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

70. Answering Paragraph 70 and its subparagraphs, each of the Individual Andersen Defendants denies the averments therein to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph and its subparagraphs.

71. Answering Paragraph 71, the Individual Andersen Defendants respond that the New York Times article, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

72. Answering Paragraph 72, the Individual Andersen Defendants respond that the Dow Jones News Service article, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

73. Answering Paragraph 73, each of the Individual Andersen Defendants denies the averments therein to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

74. Answering Paragraph 74, each of the Individual Andersen Defendants denies the averments therein to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

75. Answering Paragraph 75, the Individual Andersen Defendants respond that this paragraph does not state an averment of fact and, as such, no response is required.

76. Answering Paragraph 76, the Individual Andersen Defendants respond that the question of whether this court has jurisdiction is a legal conclusion to which no response is required.

77. Answering Paragraph 77, the Individual Andersen Defendants respond that the question of whether venue is appropriate is a legal conclusion to which no response is required. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as

to the truth of the remaining averments made in this paragraph.

78. Answering Paragraph 78, the Individual Andersen Defendants respond that this paragraph states conclusions of law to which no response is required.

79. Answering Paragraph 79, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

80. Answering Paragraph 80, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

81. Answering Paragraph 81 and its subparagraphs, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph and its subparagraphs.

82. Answering Paragraph 82, the Individual Andersen Defendants admit that Enron has filed for protection pursuant to Chapter 11 of the U.S. Bankruptcy Code. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

83. Answering Paragraphs 83(a)-(jj), the Individual Andersen Defendants admit that Kenneth Lay was a director and CEO of Enron at various times; that Jeffrey Skilling was a director and CEO of Enron at various times; that Andrew Fastow was CFO of Enron at various times; and that some or all of the remaining named individuals were employees or directors in various capacities for Enron or Enron-related entities. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph and its subparagraphs.

84. Answering Paragraph 84, the first sentence of this paragraph states a legal conclusion to which no response is required. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

85. Answering Paragraph 85, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

86. Answering Paragraph 86, the Individual Andersen Defendants lack knowledge or

information sufficient to form a belief as to the truth of the averments made in this paragraph.

87. Answering Paragraph 87, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

88. Answering Paragraph 88, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

89. Answering Paragraph 89, the Individual Andersen Defendants respond that this paragraph does not state an averment of fact and, as such, no response is required. To the extent a response is required, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

90. Answering Paragraph 90, the Individual Andersen Defendants respond that this paragraph does not state an averment of fact, but rather states conclusions of law to which no response is required. To the extent a response is required, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

91. Answering Paragraph 91, Andersen asserts that this paragraph does not state an averment of fact and, as such, no response is required. The Individual Andersen Defendants further respond that the Complaint speaks for itself.

92(a) Answering Paragraph 92(a), the Individual Andersen Defendants respond that the averments are vague as to “participated in,” and deny those averments on that basis. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

92(b). Answering Paragraph 92(b), the Individual Andersen Defendants respond that the averments are vague as to “participated in,” and deny those averments on that basis. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

92(c). Answering Paragraph 92(c), the Individual Andersen Defendants respond that the averments are vague as to “participated in,” and deny those averments on that basis. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to

the truth of the remaining averments made in this paragraph.

92(d). Answering Paragraph 92(d), the Individual Andersen Defendants respond that the averments are vague as to “participated in,” and deny those averments on that basis. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

92(e). Answering Paragraph 92(e), the Individual Andersen Defendants respond that the averments are vague as to “participated in,” and deny those averments on that basis. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

92(f). Answering Paragraph 92(f), the Individual Andersen Defendants respond that the averments are vague as to “participated in,” and deny those averments on that basis. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

92(g). Answering Paragraph 92(g), the Individual Andersen Defendants admit that Andersen is a limited liability partnership formed under the laws of the state of Illinois and that Andersen audited Enron’s financial statements for the fiscal years 1997 through 2000. The Individual Andersen Defendants respond that the averments are vague as to “consulting services,” and deny those averments on that basis. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

93(a) Answering Paragraph 93(a), the Individual Andersen Defendants respond that certain averments in this paragraph use terms such as “regular,” “massive,” “legitimate,” “instrumental,” and “inappropriate” that are vague and/or argumentative, and the Individual Andersen Defendants deny those averments on that basis. The Individual Andersen Defendants admit that Berardino was the CEO and managing partner of Andersen Worldwide, and that Berardino was a partner in Andersen. Berardino admits that he resigned on March 26, 2002, and otherwise denies the remaining averments to the extent they refer or relate to him, and lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments

made in this paragraph. The Individual Andersen Defendants other than Berardino lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

93(b). Answering Paragraph 93(b), the Individual Andersen Defendants admit that Thomas Bauer was a partner in Andersen, respond that the term “integral part” is vague and deny those averments on that basis, and otherwise lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

93(c). Answering Paragraph 93(c), Berardino denies the averments in this paragraph to the extent they refer or relate to him. The Individual Andersen Defendants admit that David Duncan was a partner in Andersen, that Duncan was the lead partner on the Enron engagement, and that Andersen terminated its relationship with Duncan. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

93(d). Answering Paragraph 93(d), the Individual Andersen Defendants admit Debra Cash was a partner in Andersen, and respond that the term “integral part” is vague and deny those averments on that basis. The Individual Andersen Defendants other than Cash lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph. Debra Cash denies the remaining averments made in this paragraph.

93(e). Answering Paragraph 93(e), the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

93(f). Answering Paragraph 93(f), the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

93(g). Answering Paragraph 93(g), David Stephen Goddard, Jr. admits that he was at certain times a partner in Andersen, the managing partner of Andersen’s Houston office and the managing partner for Andersen’s Gulf Coast Market Circle, and further denies the remaining averments made in this paragraph. The Individual Andersen Defendants other than Goddard admit Goddard was a partner in Andersen, respond that the term “integral part” is vague and deny those averments on that basis, and otherwise lack knowledge or information sufficient to

form a belief as to the truth of the remaining averments made in this paragraph.

93(h). Answering Paragraph 93(h), Gary Goolsby admits that he was at certain times a Practice Director and partner in charge of Risk Management and was in the Houston office of Andersen, responds that the term “integral part” is vague and denies those averments on that basis, and denies the remaining averments made in this paragraph. The Individual Andersen Defendants other than Goolsby admit Goolsby was a partner in Andersen, respond that the term “integral part” is vague and deny those averments on that basis, and otherwise lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

93(i). Answering Paragraph 93(i), Michael Lowther admits he was concurring partner on the Enron audit engagement from 1997 to 2001; that he was a partner in Andersen; and that he was relieved of his management duties on or about January 15, 2002. Lowther responds that the term “integral part” is vague and denies those averments on that basis, and otherwise denies the remaining averments made in this paragraph. The Individual Andersen Defendants other than Lowther admit Lowther was a partner in Andersen, respond that the term “integral part” is vague and deny those averments on that basis, and otherwise lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

93(j). Answering Paragraph 93(j), Benjamin Neuhausen responds that the term “integral part” is vague and denies those averments on that basis, and otherwise denies the remaining averments made in this paragraph. The Individual Andersen Defendants other than Neuhausen respond that the term “integral part” is vague and deny those averments on that basis, and otherwise lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

93(k). Answering Paragraph 93(k), Michael Odom admits that he was a Practice Director for the Gulf Coast Market Circle; that he was a partner in Andersen; and that he was relieved of his duties as a Practice Director on or about January 15, 2002. Odom denies the remaining averments made in this paragraph. The Individual Andersen Defendants other than Odom admit Odom was a partner in Andersen, respond that the term “integral part” is vague and

deny those averments on that basis, and otherwise lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

93(l). Answering Paragraph 93(l), Richard Petersen responds that the term “integral part” is vague and denies those averments on that basis, and denies the remaining averments made in this paragraph. The Individual Andersen Defendants other than Petersen respond that the term “integral part” is vague and deny those averments on that basis, and otherwise lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

93(m). Answering Paragraph 93(m), John Stewart responds that the term “integral part” is vague and denies those averments on that basis, and otherwise denies the remaining averments made in this paragraph. The Individual Andersen Defendants other than Stewart respond that the term “integral part” is vague and deny those averments on that basis, and otherwise lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

93(n). Answering Paragraph 93(n), the Individual Andersen Defendants admit that Michael Bennett was a partner of Andersen in the Houston office, and respond that the term “integral part” is vague and deny those averments on that basis. Bennett denies the remaining averments made in this paragraph. The Individual Andersen Defendants other than Bennett lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

93(o). Answering Paragraph 93(o), the Individual Andersen Defendants admit that William Swanson was a partner in Andersen, and respond that the term “integral part” is vague and deny those averments on that basis. Swanson denies the remaining averments made in this paragraph. The Individual Andersen Defendants other than Swanson lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

93(p). Answering Paragraph 93(p), the Individual Andersen Defendants admit Roger Willard was a partner in Andersen, respond that the term “integral part” is vague and deny those



averments on that basis, and otherwise lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

93(q). Answering Paragraph 93(q), the Individual Andersen Defendants admit that Michael Jones was a partner in Andersen. Jones denies the remaining averments made in this paragraph. The Individual Andersen Defendants other than Jones lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

93(r). Answering Paragraph 93(r), the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

93(s). Answering Paragraph 93(s), the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

93(t). Answering Paragraph 93(t), the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

93(u). Answering Paragraph 93(u), the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

93(v). Answering Paragraph 93(v), the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments in this paragraph.

93(w). Answering Paragraph 93(w), the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

94. Answering Paragraph 94, as to the first sentence, the Individual Andersen Defendants admit that each of the Individual Andersen Defendants was a partner or employee of Andersen. Each of the Individual Andersen Defendants reiterates his or her responses in 93(a)-(w) as to whether each defendant was “involved in” the Enron engagements, incorporates his or her responses to paragraphs 897-982, denies the remaining averments in this paragraph to the extent they refer or relate to him or her, and lacks knowledge or information sufficient to form a belief as to the remaining allegations made in this paragraph.

95. Answering Paragraph 95, the Individual Andersen Defendants admit Nancy Temple was an in-house lawyer for Andersen, and otherwise lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

96. Answering Paragraph 96, the Individual Andersen Defendants respond that this paragraph does not state averments of fact and, as such, no response is required.

97. Answering Paragraph 97, Andersen asserts that this paragraph does not contain an averment of fact and, as such, no response is required. To the extent a response is required, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

98. Answering Paragraph 98, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

99. Answering Paragraph 99, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

100. Answering Paragraph 100, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

101. Answering Paragraph 101, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

102. Answering Paragraph 102, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

103. Answering Paragraph 103, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

104. Answering Paragraph 104, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

105. Answering Paragraph 105, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

106. Answering Paragraph 106, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

107. Answering Paragraph 107, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

108. Answering Paragraph 108, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

109. Answering Paragraph 109, the Individual Andersen Defendants respond that the 1997 Form 10-K filed by Enron speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

110. Answering Paragraph 110, the Individual Andersen Defendants respond that Enron's public filings and statements speak for themselves. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

111. Answering Paragraph 111, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

112. Answering Paragraph 112, the Individual Andersen Defendants respond that Enron's public filings and statements speak for themselves. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

113. Answering Paragraph 113, the Individual Andersen Defendants respond that the CIBC report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

114. Answering Paragraph 114, the Individual Andersen Defendants respond that Enron's public filings and statements speak for themselves. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

115. Answering Paragraph 115, the Individual Andersen Defendants respond that the Bloomberg News article, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

116. Answering Paragraph 116, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

117. Answering Paragraph 117, the Individual Andersen Defendants respond that the press release, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

118. Answering Paragraph 118, the Individual Andersen Defendants respond that the earnings announcement, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

119. Answering Paragraph 119, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

120. Answering Paragraph 120, the Individual Andersen Defendants respond that the CIBC report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

121. Answering Paragraph 121, the Individual Andersen Defendants respond that this paragraph and subparagraphs state conclusions of law to which no response is required. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph and subparagraphs.

122. Answering Paragraph 122, the Individual Andersen Defendants respond that the press release, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

123. Answering Paragraph 123, the Individual Andersen Defendants respond that the Citigroup report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

124. Answering Paragraph 124, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

125. Answering Paragraph 125, the Individual Andersen Defendants respond that the Lehman Brothers report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

126. Answering Paragraph 126, the Individual Andersen Defendants respond that Enron's public filings speak for themselves. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

127. Answering Paragraph 127, the Individual Andersen Defendants respond that the Deutsche Bank report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

128. Answering Paragraph 128, the Individual Andersen Defendants respond that the earnings announcement, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

129. Answering Paragraph 129, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

130. Answering Paragraph 130, the Individual Andersen Defendants respond that the Merrill Lynch report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

131. Answering Paragraph 131, the Individual Andersen Defendants respond that the Deutsche Bank report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

132. Answering Paragraph 132, the Individual Andersen Defendants respond that the CIBC report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack

knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

133. Answering Paragraph 133, the Individual Andersen Defendants respond that the Citigroup report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

134. Answering Paragraph 134, the Individual Andersen Defendants respond that Enron's registration statement speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

135. Answering Paragraph 135, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

136. Answering Paragraph 136, the Individual Andersen Defendants respond that the 1998 Annual Report, if accurately cited, speaks for itself. Each of the Individual Andersen Defendants denies the averments therein to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

137. Answering Paragraph 137, the Individual Andersen Defendants respond that the 1998 Annual Report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

138. Answering Paragraph 138, the Individual Andersen Defendants respond that the 1998 Annual Report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

139. Answering Paragraph 139, the Individual Andersen Defendants respond that the 1998 Annual Report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining

averments made in this paragraph.

140. Answering Paragraph 140, the Individual Andersen Defendants respond that Enron's public filings speak for themselves. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

141. Answering Paragraph 141, the Individual Andersen Defendants respond that Enron's public filings speak for themselves. Each of the Individual Andersen Defendants denies the averments therein to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

142. Answering Paragraph 142, the Individual Andersen Defendants respond that the Merrill Lynch report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

143. Answering Paragraph 143, the Individual Andersen Defendants respond that the Lehman Brothers report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

144. Answering Paragraph 144, the Individual Andersen Defendants respond that the Enron earnings report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

145. Answering Paragraph 145, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

146. Answering Paragraph 146, the Individual Andersen Defendants respond that the Deutsche Bank report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

147. Answering Paragraph 147, the Individual Andersen Defendants respond that the Merrill Lynch report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

148. Answering Paragraph 148, the Individual Andersen Defendants respond that the CIBC report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

149. Answering Paragraph 149, the Individual Andersen Defendants respond that the Merrill Lynch report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

150. Answering Paragraph 150, the Individual Andersen Defendants respond that the Lehman Brothers report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

151. Answering Paragraph 151, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

152. Answering Paragraph 152, the Individual Andersen Defendants respond that the Deutsche Bank report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

153. Answering Paragraph 153, the Individual Andersen Defendants respond that the J.P. Morgan report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

154. Answering Paragraph 154, the Individual Andersen Defendants respond that the CSFB report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack



knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

155. Answering Paragraph 155, the Individual Andersen Defendants respond that this paragraph and subparagraphs state conclusions of law to which no response is required. The Individual Andersen Defendants further respond that Enron's public filings speak for themselves. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph and subparagraphs.

156. Answering Paragraph 156, the Individual Andersen Defendants respond that the Enron earnings announcement, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

157. Answering Paragraph 157, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

158. Answering Paragraph 158, the Individual Andersen Defendants respond that the CSFB report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

159. Answering Paragraph 159, the Individual Andersen Defendants respond that the Deutsche Bank report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

160. Answering Paragraph 160, the Individual Andersen Defendants respond that the Houston Chronicle article, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

161. Answering Paragraph 161, the Individual Andersen Defendants respond that the CIBC report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments

made in this paragraph.

162. Answering Paragraph 162, the Individual Andersen Defendants respond that the Merrill Lynch report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

163. Answering Paragraph 163, the Individual Andersen Defendants respond that the Citigroup report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

164. Answering Paragraph 164, the Individual Andersen Defendants respond that the Form S-3 speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

165. Answering Paragraph 165, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

166. Answering Paragraph 166, the Individual Andersen Defendants respond that the Citigroup report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

167. Answering Paragraph 167, the Individual Andersen Defendants respond that the CSFB report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

168. Answering Paragraph 168, the Individual Andersen Defendants respond that the Dow Jones Energy Service article, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

169. Answering Paragraph 169, the Individual Andersen Defendants respond that the Citigroup report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack

knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

170. Answering Paragraph 170, the Individual Andersen Defendants respond that the Lehman Brothers report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

171. Answering Paragraph 171, the Individual Andersen Defendants respond that the CSFB report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

172. Answering Paragraph 172, the Individual Andersen Defendants respond that the J.P. Morgan report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

173. Answering Paragraph 173, the Individual Andersen Defendants respond that the Bank of America report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

174. Answering Paragraph 174, the Individual Andersen Defendants respond that the Bloomberg News report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

175. Answering Paragraph 175, the Individual Andersen Defendants respond that the CFO Magazine article, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

176. Answering Paragraph 176, the Individual Andersen Defendants respond that the CIBC report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack

knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

177. Answering Paragraph 177, the Individual Andersen Defendants respond that the Enron earnings report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

178. Answering Paragraph 178, the Individual Andersen Defendants respond that the Bloomberg News article, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

179. Answering Paragraph 179, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

180. Answering Paragraph 180, the Individual Andersen Defendants respond that the CSFB report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

181. Answering Paragraph 181, the Individual Andersen Defendants respond that the Merrill Lynch report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

182. Answering Paragraph 182, the Individual Andersen Defendants respond that the Bank of America report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

183. Answering Paragraph 183, the Individual Andersen Defendants respond that the CIBC report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

184. Answering Paragraph 184, the Individual Andersen Defendants respond that the Deutsche Bank report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

185. Answering Paragraph 185, the Individual Andersen Defendants respond that the Bank of America report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

186. Answering Paragraph 186, the Individual Andersen Defendants respond that the Citigroup report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

187. Answering Paragraph 187, the Individual Andersen Defendants respond that the citation from the Dow Jones Energy Service article, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

188. Answering Paragraph 188, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

189. Answering Paragraph 189, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

190. Answering Paragraph 190, the Individual Andersen Defendants respond that the J.P. Morgan report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

191. Answering Paragraph 191, the Individual Andersen Defendants respond that the CSFB report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

192. Answering Paragraph 192, the Individual Andersen Defendants respond that the Enron press release, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

193. Answering Paragraph 193, the Individual Andersen Defendants respond that the Bank of America report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

194. Answering Paragraph 194, the Individual Andersen Defendants respond that the CIBC report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

195. Answering Paragraph 195, the Individual Andersen Defendants respond that the Bank of America report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

196. Answering Paragraph 196, the Individual Andersen Defendants respond that the Enron earnings announcement, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

197. Answering Paragraph 197, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

198. Answering Paragraph 198, the Individual Andersen Defendants respond that the CSFB report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

199. Answering Paragraph 199, the Individual Andersen Defendants respond that the CIBC report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack

knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

200. Answering Paragraph 200, the Individual Andersen Defendants respond that the Bank of America report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

201. Answering Paragraph 201, the Individual Andersen Defendants respond that the Merrill Lynch report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

202. Answering Paragraph 202, the Individual Andersen Defendants respond that the Wall Street Journal article, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

203. Answering Paragraph 203, the Individual Andersen Defendants respond that the Bank of America report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

204. Answering Paragraph 204, the Individual Andersen Defendants respond that the J.P. Morgan report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

205. Answering Paragraph 205, the Individual Andersen Defendants respond that the CSFB report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

206. Answering Paragraph 206, the Individual Andersen Defendants respond that the Lehman Brothers report, if accurately cited, speaks for itself. The Individual Andersen

Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

207. Answering Paragraph 207, the Individual Andersen Defendants respond that the CIBC report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

208. Answering Paragraph 208, the Individual Andersen Defendants respond that the Merrill Lynch report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

209. Answering Paragraph 209, the Individual Andersen Defendants respond that the Merrill Lynch report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

210. Answering Paragraph 210, the Individual Andersen Defendants respond that the Deutsche Bank report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

211. Answering Paragraph 211, the Individual Andersen Defendants respond that the J.P. Morgan report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

212. Answering Paragraph 212, the Individual Andersen Defendants respond that the Bloomberg News article, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

213. Answering Paragraph 213, the Individual Andersen Defendants respond that the CSFB report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack



knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

214. Answering Paragraph 214, the Individual Andersen Defendants respond that this paragraph and subparagraphs state conclusions of law to which no response is required. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph and subparagraphs.

215. Answering Paragraph 215, the Individual Andersen Defendants respond that the Shareholder Report, if accurately cited, speaks for itself. Each of the Individual Andersen Defendants denies the averments therein to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

216. Answering Paragraph 216, the Individual Andersen Defendants respond that the 1999 Annual Report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

217. Answering Paragraph 217, the Individual Andersen Defendants respond that the 1999 Annual Report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

218. Answering Paragraph 218, the Individual Andersen Defendants respond that the 1999 Annual Report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

219. Answering Paragraph 219, the Individual Andersen Defendants respond that Enron's 1999 financial statements speaks for itself. Each of the Individual Andersen Defendants denies the averments therein to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

220. Answering Paragraph 220, the Individual Andersen Defendants respond that the 1999 Annual Report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

221. Answering Paragraph 221, the Individual Andersen Defendants respond that Enron's 1998 and 1999 financial statements and 1999 Annual Report speak for themselves. Each of the Individual Andersen Defendants denies the averments therein to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

222. Answering Paragraph 222, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

223. Answering Paragraph 223, the Individual Andersen Defendants respond that the Enron earnings announcement, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

224. Answering Paragraph 224, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

225. Answering Paragraph 225, the Individual Andersen Defendants respond that the Bloomberg News article, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

226. Answering Paragraph 226, the Individual Andersen Defendants respond that the Merrill Lynch report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

227. Answering Paragraph 227, the Individual Andersen Defendants respond that the Citigroup report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments

made in this paragraph.

228. Answering Paragraph 228, the Individual Andersen Defendants respond that the Houston Chronicle article, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

229. Answering Paragraph 229, the Individual Andersen Defendants respond that the CSFB report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

230. Answering Paragraph 230, the Individual Andersen Defendants respond that the CIBC report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

231. Answering Paragraph 231, the Individual Andersen Defendants respond that the Lehman Brothers report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

232. Answering Paragraph 232, the Individual Andersen Defendants respond that the Deutsche Bank report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

233. Answering Paragraph 233, the Individual Andersen Defendants respond that the Bank of America report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

234. Answering Paragraph 234, the Individual Andersen Defendants respond that the J.P. Morgan report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining

avermments made in this paragraph.

235. Answering Paragraph 235, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

236. Answering Paragraph 236, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

237. Answering Paragraph 237, the Individual Andersen Defendants respond that the Deutsche Bank report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

238. Answering Paragraph 238, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

239. Answering Paragraph 239, the Individual Andersen Defendants respond that the J.P. Morgan report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

240. Answering Paragraph 240, the Individual Andersen Defendants respond that the Enron press release, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

241. Answering Paragraph 241, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

242. Answering Paragraph 242, the Individual Andersen Defendants respond that the J.P. Morgan report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

243. Answering Paragraph 243, the Individual Andersen Defendants respond that the Deutsche Bank report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining

averments made in this paragraph.

244. Answering Paragraph 244, the Individual Andersen Defendants respond that the Citigroup report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

245. Answering Paragraph 245, the Individual Andersen Defendants respond that the Los Angeles Times article, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

246. Answering Paragraph 246, the Individual Andersen Defendants respond that the Enron earnings announcement, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

247. Answering Paragraph 247, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

248. Answering Paragraph 248, the Individual Andersen Defendants respond that the J.P. Morgan report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

249. Answering Paragraph 249, the Individual Andersen Defendants respond that the Citigroup report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

250. Answering Paragraph 250, the Individual Andersen Defendants respond that the Merrill Lynch reports, if accurately cited, speak for themselves. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

251. Answering Paragraph 251, the Individual Andersen Defendants respond that the

CIBC report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

252. Answering Paragraph 252, the Individual Andersen Defendants respond that the Bank of America report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

253. Answering Paragraph 253, the Individual Andersen Defendants respond that the Deutsche Bank report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

254. Answering Paragraph 254, the Individual Andersen Defendants respond that the Lehman Brothers report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

255. Answering Paragraph 255, the Individual Andersen Defendants respond that the Bank of America report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

256. Answering Paragraph 256, the Individual Andersen Defendants respond that the J.P. Morgan report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

257. Answering Paragraph 257, the Individual Andersen Defendants respond that the Deutsche Bank report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

258. Answering Paragraph 258, the Individual Andersen Defendants respond that the

Bank of America report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

259. Answering Paragraph 259, the Individual Andersen Defendants respond that the Citigroup report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

260. Answering Paragraph 260, the Individual Andersen Defendants respond that the J.P. Morgan report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

261. Answering Paragraph 261, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

262. Answering Paragraph 262, the Individual Andersen Defendants respond that the Enron earnings report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

263. Answering Paragraph 263, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

264. Answering Paragraph 264, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

265. Answering Paragraph 265, the Individual Andersen Defendants respond that the Bank of America report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

266. Answering Paragraph 266, the Individual Andersen Defendants respond that the Merrill Lynch report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining

averments made in this paragraph.

267. Answering Paragraph 267, the Individual Andersen Defendants respond that the Citigroup report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

268. Answering Paragraph 268, the Individual Andersen Defendants respond that the CSFB report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

269. Answering Paragraph 269, the Individual Andersen Defendants respond that the CIBC report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

270. Answering Paragraph 270, the Individual Andersen Defendants respond that the Lehman Brothers report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

271. Answering Paragraph 271, each of the Individual Andersen Defendants denies the averments therein to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

272. Answering Paragraph 272, the Individual Andersen Defendants respond that the Enron press release, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

273. Answering Paragraph 273, the Individual Andersen Defendants respond that the Bloomberg News article, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.



274. Answering Paragraph 274, the Individual Andersen Defendants respond that the CNBC report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

275. Answering Paragraph 275, the Individual Andersen Defendants admit that Skilling was named Enron's CEO to succeed Lay. The Individual Andersen Defendants lack knowledge or information sufficient to form belief as to the truth of the remaining averments made in this paragraph.

276. Answering Paragraph 276, the Individual Andersen Defendants respond that the Enron press release, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

277. Answering Paragraph 277, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

278. Answering Paragraph 278, the Individual Andersen Defendants respond that this paragraph states conclusions of law to which no response is required. To the extent a response is required, each of the Individual Andersen Defendants denies the averments therein to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

279. Answering Paragraph 279, the Individual Andersen Defendants respond that the Dow Jones Energy Service article, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

280. Answering Paragraph 280, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

281. Answering Paragraph 281, the Individual Andersen Defendants respond that the Enron press release, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining

averments made in this paragraph.

282. Answering Paragraph 282, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

283. Answering Paragraph 283, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

284. Answering Paragraph 284, the Individual Andersen Defendants respond that the J.P. Morgan report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

285. Answering Paragraph 285, the Individual Andersen Defendants respond that the CSFB report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

286. Answering Paragraph 286, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

287. Answering Paragraph 287, the Individual Andersen Defendants respond that the Lehman Brothers report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

288. Answering Paragraph 288, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

289. Answering Paragraph 289, the Individual Andersen Defendants respond that the Fortune Magazine article, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

290. Answering Paragraph 290, the Individual Andersen Defendants respond that the CSFB report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments

made in this paragraph.

291. Answering Paragraph 291, the Individual Andersen Defendants respond that the Enron announcement, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

292. Answering Paragraph 292, the Individual Andersen Defendants respond that the 1999 and 2000 financial statements and the 2000 Form 10-K Report speak for themselves. Each of the Individual Andersen Defendants denies the averments therein to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

293. Answering Paragraph 293, the Individual Andersen Defendants respond that Enron's Annual Report to Shareholders speaks for itself. Each of the Individual Andersen Defendants denies the averments therein to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

294. Answering Paragraph 294, the Individual Andersen Defendants respond that Enron's 2000 Annual Report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

295. Answering Paragraph 295, the Individual Andersen Defendants respond that Enron's 2000 financial statements speak for themselves. Each of the Individual Andersen Defendants denies the averments therein to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

296. Answering Paragraph 296, the Individual Andersen Defendants respond that Enron's 2000 Annual Report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

297. Answering Paragraph 297, the Individual Andersen Defendants respond that Enron's 2000 Annual Report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

298. Answering Paragraph 298, the Individual Andersen Defendants respond that Enron's 2000 financial statements, if accurately cited, speak for themselves. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

299. Answering Paragraph 299, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

300. Answering Paragraph 300 and its subparagraphs, the Individual Andersen Defendants respond that they state conclusions of law to which no response is required. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph and its subparagraphs.

301. Answering Paragraph 301, the Individual Andersen Defendants respond that the Bloomberg News article, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

302. Answering Paragraph 302, the Individual Andersen Defendants respond that the J.P. Morgan report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

303. Answering Paragraph 303, the Individual Andersen Defendants respond that the Lehman Brothers report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

304. Answering Paragraph 304, the Individual Andersen Defendants respond that the Citigroup report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack

knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

305. Answering Paragraph 305, each of the Individual Andersen Defendants denies the averments therein to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

306. Answering Paragraph 306, the Individual Andersen Defendants respond that the J.P. Morgan report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

307. Answering Paragraph 307, the Individual Andersen Defendants respond that the Bloomberg News article, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

308. Answering Paragraph 308, the Individual Andersen Defendants respond that the Citigroup report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

309. Answering Paragraph 309, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

310. Answering Paragraph 310, the Individual Andersen Defendants respond that the J.P. Morgan report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

311. Answering Paragraph 311, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

312. Answering Paragraph 312, the Individual Andersen Defendants respond that the Lehman Brothers report, if accurately cited, speaks for itself. The Individual Andersen

Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

313. Answering Paragraph 313, each of the Individual Andersen Defendants denies the averments therein to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

314. Answering Paragraph 314, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

315. Answering Paragraph 315, the Individual Andersen Defendants respond that the Enron press release, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

316. Answering Paragraph 316, the Individual Andersen Defendants respond that the Enron earnings announcement, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

317. Answering Paragraph 317, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

318. Answering Paragraph 318, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

319. Answering Paragraph 319, the Individual Andersen Defendants respond that the CSFB report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

320. Answering Paragraph 320, the Individual Andersen Defendants respond that the J.P. Morgan report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

321. Answering Paragraph 321, the Individual Andersen Defendants respond that the Merrill Lynch report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

322. Answering Paragraph 322, the Individual Andersen Defendants respond that the Lehman Brothers report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

323. Answering Paragraph 323, the Individual Andersen Defendants respond that the CIBC report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

324. Answering Paragraph 324, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

325. Answering Paragraph 325, the Individual Andersen Defendants respond that the J.P. Morgan report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

326. Answering Paragraph 326, the Individual Andersen Defendants respond that the Citigroup report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

327. Answering Paragraph 327, the Individual Andersen Defendants respond that the Citigroup report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

328. Answering Paragraph 328, the Individual Andersen Defendants respond that the Enron earnings report, if accurately cited, speaks for itself. The Individual Andersen Defendants

lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

329. Answering Paragraph 329, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

330. Answering Paragraph 330, the Individual Andersen Defendants respond that the Bloomberg News article, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

331. Answering Paragraph 331, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

332. Answering Paragraph 332, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

333. Answering Paragraph 333, the Individual Andersen Defendants respond that the J.P. Morgan e-mail, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

334. Answering Paragraph 334, the Individual Andersen Defendants respond that the CIBC report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

335. Answering Paragraph 335, the Individual Andersen Defendants respond that the Citigroup report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

336. Answering Paragraph 336, the Individual Andersen Defendants respond that the Form S-3 speaks for itself. The Individual Andersen Defendants further respond that this paragraph states conclusions of law to which no response is required. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the



remaining averments made in this paragraph.

337. Answering Paragraph 337, the Individual Andersen Defendants respond that the Bloomberg News article, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

338. Answering Paragraph 338, the Individual Andersen Defendants respond that the Lehman Brothers report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

339. Answering Paragraph 339 and its subparagraphs, the paragraph and its subparagraphs state conclusions of law to which no response is required. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph and its subparagraphs.

340. Answering Paragraph 340, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

341. Answering Paragraph 341, the Individual Andersen Defendants respond that the Lehman Brothers report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

342. Answering Paragraph 342, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

343. Answering Paragraph 343, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

344. Answering Paragraph 344, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

345. Answering Paragraph 345, the Individual Andersen Defendants respond that the CSFB report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments

made in this paragraph.

346. Answering Paragraph 346, the Individual Andersen Defendants respond that the Bank of America report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

347. Answering Paragraph 347, the Individual Andersen Defendants respond that the Lehman Brothers report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

348. Answering Paragraph 348, the Individual Andersen Defendants respond that the J.P. Morgan report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

349. Answering Paragraph 349, the Individual Andersen Defendants respond that the CIBC report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

350. Answering Paragraph 350, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

351. Answering Paragraph 351, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

352. Answering Paragraph 352, the Individual Andersen Defendants respond that the J.P. Morgan report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

353. Answering Paragraph 353, the Individual Andersen Defendants respond that the Lehman Brothers report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the

remaining averments made in this paragraph.

354. Answering Paragraph 354, the Individual Andersen Defendants respond that the CSFB report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

355. Answering Paragraph 355, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

356. Answering Paragraph 356, the Individual Andersen Defendants respond that the Bloomberg News article, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

357. Answering Paragraph 357, the Individual Andersen Defendants respond that the Bank of America report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

358. Answering Paragraph 358, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

359. Answering Paragraph 359, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

360. Answering Paragraph 360, each of the Individual Andersen Defendants denies the averments therein to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

361. Answering Paragraph 361, each of the Individual Andersen Defendants denies the averments therein to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

362. Answering Paragraph 362, the Individual Andersen Defendants respond that the Merrill Lynch report, if accurately cited, speaks for itself. The Individual Andersen Defendants

lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

363. Answering Paragraph 363, the Individual Andersen Defendants respond that the J.P. Morgan report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

364. Answering Paragraph 364, Enron's press release, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

365. Answering Paragraph 365, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

366. Answering Paragraph 366, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

367. Answering Paragraph 367, the Individual Andersen Defendants respond that the Bloomberg News article, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

368. Answering Paragraph 368, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

369. Answering Paragraph 369, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

370. Answering Paragraph 370, the Individual Andersen Defendants respond that the Citigroup report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

371. Answering Paragraph 371, the Individual Andersen Defendants respond that the Bank of America report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the

remaining averments made in this paragraph.

372. Answering Paragraph 372, the Individual Andersen Defendants respond that the CIBC report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

373. Answering Paragraph 373, the Individual Andersen Defendants respond that the J.P. Morgan report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

374. Answering Paragraph 374, the Individual Andersen Defendants respond that the CSFB report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

375. Answering Paragraph 375, the Individual Andersen Defendants respond that the Citigroup report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

376. Answering Paragraph 376, the Individual Andersen Defendants respond that the J.P. Morgan report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

377. Answering Paragraph 377, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

378. Answering Paragraph 378, the Individual Andersen Defendants respond that the CSFB report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

379. Answering Paragraph 379, the Individual Andersen Defendants respond that the

Lehman Brothers report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

380. Answering Paragraph 380, the Individual Andersen Defendants respond that the J.P. Morgan report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

381. Answering Paragraph 381, the Individual Andersen Defendants respond that the Lehman Brothers report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

382. Answering Paragraph 382, the Individual Andersen Defendants respond that the Enron press release, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

383. Answering Paragraph 383, the Individual Andersen Defendants respond that the Enron press release, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

384. Answering Paragraph 384, the Individual Andersen Defendants admit that on November 8, 2001, Enron filed a Form 8-K which speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the remaining averments made in this paragraph.

385. Answering Paragraph 385, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

386. Answering Paragraph 386, each of the Individual Andersen Defendants denies the averments therein to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

387. Answering Paragraph 387, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

388. Answering Paragraph 388, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

389. Answering Paragraph 389, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

390. Answering Paragraph 390, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

391. Answering Paragraph 391, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

392. Answering Paragraph 392, the Individual Andersen Defendants incorporate their response to Paragraph 68. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining allegations made in this paragraph.

393. Answering Paragraph 393, each of the Individual Andersen Defendants denies the averments therein to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

394. Answering Paragraph 394, the Individual Andersen Defendants respond that this paragraph states conclusions of law to which no response is required. Each of the Individual Andersen Defendants denies the averments in this paragraph to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

395. Answering Paragraph 395, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

396. Answering Paragraph 396, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

397. Answering Paragraph 397, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

398. Answering Paragraph 398, the Individual Andersen Defendants lack knowledge

or information sufficient to form a belief as to the truth of the averments made in this paragraph.

399. Answering Paragraph 399, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

400. Answering Paragraph 400, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

401. Answering Paragraph 401, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

402. Answering Paragraph 402, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

403. Answering Paragraph 403, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

404. Answering Paragraph 404, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

405. Answering Paragraph 405, the Individual Andersen Defendants respond that this paragraph states conclusions of law to which no response is required. To the extent a response is required, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

406. Answering Paragraph 406, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

407. Answering Paragraph 407, the Individual Andersen Defendants respond that this paragraph contains argument and speculation as to which no response is required. To the extent a response is required, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

408. Answering Paragraph 408, the Individual Andersen Defendants respond that this paragraph contains argument and speculation as to which no response is required. To the extent a response is required, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

409. Answering Paragraph 409, the Individual Andersen Defendants respond that this



paragraph contains argument and speculation as to which no response is required. To the extent a response is required, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

410. Answering Paragraph 410, the Individual Andersen Defendants respond that this paragraph contains argument and speculation as to which no response is required. To the extent a response is required, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

411. Answering Paragraph 411, the Individual Andersen Defendants respond that this paragraph contains argument and speculation as to which no response is required. To the extent a response is required, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

412. Answering Paragraph 412, the Individual Andersen Defendants respond that this paragraph contains argument and speculation as to which no response is required. To the extent a response is required, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

413. Answering Paragraph 413, the Individual Andersen Defendants respond that this paragraph contains argument and speculation as to which no response is required. To the extent a response is required, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

414. Answering Paragraph 414, the Individual Andersen Defendants respond that this paragraph contains argument and speculation as to which no response is required. To the extent a response is required, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

415. Answering Paragraph 415, the Individual Andersen Defendants respond that this paragraph contains argument and speculation as to which no response is required. To the extent a response is required, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

416. Answering Paragraph 416, the Individual Andersen Defendants lack knowledge

or information sufficient to form a belief as to the truth of the averments made in this paragraph or in Exhibit C.

417. Answering Paragraph 417, the Individual Andersen Defendants respond that this paragraph makes no averments of fact and, as such, no response is required. To the extent a response is required, each of the Individual Andersen Defendants denies the averments therein to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

418. Answering Paragraph 418 and its subparagraphs, each of the Individual Andersen Defendants denies the averments in this paragraph and its subparagraphs to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph and its subparagraphs.

419. Answering Paragraph 419, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

420. Answering Paragraph 420, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

421. Answering Paragraph 421, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

422. Answering Paragraph 422, the Individual Andersen Defendants respond that the citation from “Accounting Malpractice.com,” if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

423. Answering Paragraph 423, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

424. Answering Paragraph 424, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

425. Answering Paragraph 425, the Individual Andersen Defendants respond that Enron’s press releases and SEC filings speak for themselves. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the

remaining averments made in this paragraph.

426. Answering Paragraph 426, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

427. Answering Paragraph 427, the Individual Andersen Defendants respond that this paragraph states conclusions of law to which no response is required. The Individual Andersen Defendants further respond that General Accepted Accounting Principles and Regulation S-X speak for themselves.

428. Answering Paragraph 428, the Individual Andersen Defendants respond that this paragraph states conclusions of law to which no response is required. To the extent a response is required, the Individual Andersen Defendants respond that §13(b)(2) of the 1934 Act speaks for itself.

429. Answering Paragraph 429, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

430. Answering Paragraph 430, the Individual Andersen Defendants respond that this paragraph states conclusions of law to which no response is required, and further that Accounting Research Bulletin No. 51, ¶ 1 speaks for itself.

431. Answering Paragraph 431, the Individual Andersen Defendants respond that this paragraph states conclusions of law to which no response is required and further that FASB No. 94 speaks for itself.

432. Answering Paragraph 432, the Individual Andersen Defendants respond that this paragraph states conclusions of law to which no response is required, and further that SFAS No. 125 speaks for itself.

433. Answering Paragraph 433, the Individual Andersen Defendants respond that the various references to rules of GAAP state conclusions of law to which no response is required. The Individual Andersen Defendants further respond that SFAS No. 125, EITF and No. 90-15 speak for themselves. Each of the Individual Andersen Defendants denies the averments therein to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

434. Answering Paragraph 434, the Individual Andersen Defendants respond that the Wall Street Journal article, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

435. Answering Paragraph 435, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

436. Answering Paragraph 436, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

437. Answering Paragraph 437, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

438. Answering Paragraph 438, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

439. Answering Paragraph 439, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

440. Answering Paragraph 440, the Individual Andersen Defendants respond that this paragraph states conclusions of law to which no response is required. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph, including the diagram.

441. Answering Paragraph 441, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

442. Answering Paragraph 442, the Individual Andersen Defendants respond that this paragraph states conclusions of law to which no response is required. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

443. Answering Paragraph 443, the Individual Andersen Defendants respond that this paragraph states conclusions of law to which no response is required. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

444. Answering Paragraph 444, the Individual Andersen Defendants respond that this paragraph states conclusions of law to which no response is required. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

445. Answering Paragraph 445, the Individual Andersen Defendants respond that this paragraph states conclusions of law to which no response is required. The Individual Andersen Defendants further respond that Accounting Principles Board No. 9 speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

446. Answering Paragraph 446, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

447. Answering Paragraph 447, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

448. Answering Paragraph 448, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

449. Answering Paragraph 449, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

450. Answering Paragraph 450, the Individual Andersen Defendants respond that this paragraph states conclusions of law to which no response is required. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

451. Answering Paragraph 451, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

452. Answering Paragraph 452, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments in this paragraph.

453. Answering Paragraph 453, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments in this paragraph.

454. Answering Paragraph 454, the Individual Andersen Defendants respond that this

paragraph states conclusions of law to which no response is required. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

455. Answering Paragraph 455, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

456. Answering Paragraph 456, the Individual Andersen Defendants respond further that this paragraph states conclusions of law to which no response is required. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

457. Answering Paragraph 457, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

458. Answering Paragraph 458, the Individual Andersen Defendants respond that this paragraph states conclusions of law to which no response is required. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

459. Answering Paragraph 459, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

460. Answering Paragraph 460, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

461. Answering Paragraph 461, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

462. Answering Paragraph 462, the Individual Andersen Defendants respond that this paragraph states conclusions of law to which no response is required. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

463. Answering Paragraph 463, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

464. Answering Paragraph 464, the Individual Andersen Defendants respond that this

paragraph states conclusions of law to which no response is required. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

465. Answering Paragraph 465, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

466. Answering Paragraph 466, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

467. Answering Paragraph 467, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

468. Answering Paragraph 468, the Individual Andersen Defendants respond that this paragraph states conclusions of law to which no response is required. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

469. Answering Paragraph 469, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

470. Answering Paragraph 470, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

471. Answering Paragraph 471, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

472. Answering Paragraph 472, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

473. Answering Paragraph 473, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

474. Answering Paragraph 474, the Individual Andersen Defendants respond that LJM2 approval sheet, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

475. Answering Paragraph 475, the Individual Andersen Defendants lack knowledge

or information sufficient to form a belief as to the truth of the averments made in this paragraph.

476. Answering Paragraph 476, the Individual Andersen Defendants respond that this paragraph states conclusions of law to which no response is required. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

477. Answering Paragraph 477, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

478. Answering Paragraph 478, the Individual Andersen Defendants respond that this paragraph states conclusions of law to which no response is required. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

479. Answering Paragraph 479, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

480. Answering Paragraph 480, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

481. Answering Paragraph 481, the Individual Andersen Defendants respond that this paragraph states conclusions of law to which no response is required. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

482. Answering Paragraph 482, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

483. Answering Paragraph 483, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

484. Answering Paragraph 484, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

485. Answering Paragraph 485, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

486. Answering Paragraph 486, the Individual Andersen Defendants lack knowledge



or information sufficient to form a belief as to the truth of the averments made in this paragraph.

487. Answering Paragraph 487, the Individual Andersen Defendants respond that this paragraph states conclusions of law to which no response is required. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

488. Answering Paragraph 488, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

489. Answering Paragraph 489, the Individual Andersen Defendants respond that this paragraph states conclusions of law to which no response is required. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

490. Answering Paragraph 490, each of the Individual Andersen Defendants denies the averments therein to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

491. Answering Paragraph 491, the Individual Andersen Defendants respond that this paragraph states conclusions of law to which no response is required. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

492. Answering Paragraph 492, the Individual Andersen Defendants respond that this paragraph states conclusions of law to which no response is required. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

493. Answering Paragraph 493, the Individual Andersen Defendants respond that this paragraph states conclusions of law to which no response is required. The Individual Andersen Defendants respond that EITF No. 85-1, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

494. Answering Paragraph 494, the Individual Andersen Defendants respond that this paragraph states conclusions of law to which no response is required. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

495. Answering Paragraph 495, the Individual Andersen Defendants respond that this paragraph states conclusions of law to which no response is required. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

496. Answering Paragraph 496 and its subparagraphs, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph and its subparagraphs.

497. Answering Paragraph 497, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

498. Answering Paragraph 498, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

499. Answering Paragraph 499, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

500. Answering Paragraph 500, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

501. Answering Paragraph 501, the Individual Andersen Defendants respond that this paragraph states conclusions of law to which no response is required. The Individual Andersen Defendants further respond that SFAS No. 125, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

502. Answering Paragraph 502, the Individual Andersen Defendants respond that this paragraph states conclusions of law to which no response is required. The Individual Andersen Defendants further respond that SFAS No. 125, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to

the truth of the remaining averments made in this paragraph.

503. Answering Paragraph 503, the Individual Andersen Defendants respond that this paragraph states conclusions of law to which no response is required. The Individual Andersen Defendants further respond that SFAS No. 125 and the referenced Osprey Offering document, if accurately cited, speak for themselves. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

504. Answering Paragraph 504, the Individual Andersen Defendants respond that this paragraph makes conclusions of law to which no response is required. The Individual Andersen Defendants further respond that SFAS No. 125 and the referenced Osprey Offering document, if accurately cited, speak for themselves. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

505. Answering Paragraph 505, the Individual Andersen Defendants respond that this paragraph states conclusions of law to which no response is required. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

506. Answering Paragraph 506, the Individual Andersen Defendants respond that this paragraph states conclusions of law to which no response is required. Each of the Individual Andersen Defendants deny the averments made in this paragraph to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

507. Answering Paragraph 507, the Individual Andersen Defendants respond that this paragraph states conclusions of law to which no response is required. The Individual Andersen Defendants further respond that SFAS No. 57, if accurately cited, speaks for itself.

508. Answering Paragraph 508, the Individual Andersen Defendants respond that this paragraph states conclusions of law to which no response is required. The Individual Andersen Defendants further respond that Item 404 of SEC Regulation S-K speaks for itself.

509. Answering Paragraph 509, the Individual Andersen Defendants respond that this paragraph states conclusions of law to which no response is required. The Individual Andersen Defendants further respond that SFAC 2, if accurately cited, speaks for itself.

510. Answering Paragraph 510, the Individual Andersen Defendants respond that Enron's Form 10-Ks cited in this paragraph speak for themselves. The Individual Andersen Defendants further respond that this paragraph states conclusions of law to which no response is required. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

511. Answering Paragraph 511, the Individual Andersen Defendants respond that this paragraph states conclusions of law to which no response is required. Each of the Individual Andersen Defendants deny the averments in this paragraph to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

512. Answering Paragraph 512, the Individual Andersen Defendants respond that Enron's proxy statements in 2000 and 2001 speak for themselves. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

513. Answering Paragraph 513, the Individual Andersen Defendants respond that the 2000 proxy statement and other SEC filings cited in this paragraph speak for themselves. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

514. Answering Paragraph 514, the Individual Andersen Defendants respond that Enron's Second Quarter 2000 10-Q, and financial statement disclosures thereafter speak for themselves. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

515. Answering Paragraph 515, the Individual Andersen Defendants respond that this paragraph states conclusions of law to which no response is required. The Individual Andersen Defendants respond that the SEC filings cited therein speak for themselves. The Individual

Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

516. Answering Paragraph 516, each of the Individual Andersen Defendants denies the averments therein to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

517. Answering Paragraph 517, the Individual Andersen Defendants respond that this paragraph states conclusions of law to which no response is required. The Individual Andersen Defendants further respond that SEC Staff Accounting Bulletin No. 99 speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

518. Answering Paragraph 518, the Individual Andersen Defendants respond that this paragraph states conclusions of law to which no response is required. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

519. Answering Paragraph 519, the Individual Andersen Defendants respond that the “Accounting Malpractice.com” statements, if accurately cited, speak for themselves. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

520. Answering Paragraph 520, each of the Individual Andersen Defendants denies the averments therein to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

521. Answering Paragraph 521, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

522. Answering Paragraph 522, the Individual Andersen Defendants respond that this paragraph states conclusions of law to which no response is required. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the

remaining averments made in this paragraph.

523. Answering Paragraph 523, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

524. Answering Paragraph 524, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

525. Answering Paragraph 525, the Individual Andersen Defendants respond that this paragraph states conclusions of law to which no response is required. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

526. Answering Paragraph 526, the Individual Andersen Defendants respond that this paragraph states conclusions of law to which no response is required. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments in this paragraph.

527. Answering Paragraph 527, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

528. Answering Paragraph 528, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

529. Answering Paragraph 529, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

530. Answering Paragraph 530, the Individual Andersen Defendants respond that the New York Times article, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

531. Answering Paragraph 531, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

532. Answering Paragraph 532, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

533. Answering Paragraph 533, the Individual Andersen Defendants respond that this

paragraph states conclusions of law to which no response is required. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

534. Answering Paragraph 534, the Individual Andersen Defendants respond that this paragraph states conclusions of law to which no response is required. The Individual Andersen Defendants further respond that EITF No. 98-10 speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

535. Answering Paragraph 535, the Individual Andersen Defendants respond that this paragraph states conclusions of law to which no response is required. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

536. Answering Paragraph 536, the Individual Andersen Defendants respond that this paragraph states conclusions of law to which no response is required. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

537. Answering Paragraph 537, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

538. Answering Paragraph 538, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

539. Answering Paragraph 539, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

540. Answering Paragraph 540, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

541. Answering Paragraph 541, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

542. Answering Paragraph 542, the Individual Andersen Defendants respond that the Washington Post article, if accurately cited, speaks for itself. The Individual Andersen

Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

543. Answering Paragraph 543, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

544. Answering Paragraph 544, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

545. Answering Paragraph 545, the Individual Andersen Defendants respond that this paragraph states conclusions of law to which no response is required. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

546. Answering Paragraph 546, the Individual Andersen Defendants respond that this paragraph states conclusions of law to which no response is required. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

547. Answering Paragraph 547, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

548. Answering Paragraph 548, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

549. Answering Paragraph 549, the Individual Andersen Defendants respond that this paragraph states conclusions of law to which no response is required. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

550. Answering Paragraph 550, the Individual Andersen Defendants respond that the Fortune article, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

551. Answering Paragraph 551, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.



552. Answering Paragraph 552, the Individual Andersen Defendants respond that this paragraph states conclusions of law to which no response is required. The Individual Andersen Defendants respond further that SFAS No. 115, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

553. Answering Paragraph 553, the Individual Andersen Defendants respond that this paragraph states conclusions of law to which no response is required. The Individual Andersen Defendants respond further that SFAS No. 115, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

554. Answering Paragraph 554, the Individual Andersen Defendants respond that the referenced internal report, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

555. Answering Paragraph 555, the Individual Andersen Defendants respond that the averments with respect to GAAP rules state conclusions of law and, as such, no response is required. The Individual Andersen Defendants further respond that SFAS No. 115, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

556. Answering Paragraph 556, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

557. Answering Paragraph 557, the Individual Andersen Defendants respond that this paragraph states conclusions of law to which no response is required. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

558. Answering Paragraph 558, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

559. Answering Paragraph 559, the Individual Andersen Defendants respond that the

Houston Chronicle article, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

560. Answering Paragraph 560, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

561. Answering Paragraph 561, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

562. Answering Paragraph 562, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

563. Answering Paragraph 563, the Individual Andersen Defendants respond that the Court's ruling speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

564. Answering Paragraph 564, the Individual Andersen Defendants respond that the New York Times article, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

565. Answering Paragraph 565, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

566. Answering Paragraph 566, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

567. Answering Paragraph 567, the Individual Andersen Defendants respond that the New York Times article, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

568. Answering Paragraph 568, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

569. Answering Paragraph 569, the Individual Andersen Defendants lack knowledge

or information sufficient to form a belief as to the truth of the averments made in this paragraph.

570. Answering Paragraph 570, the Individual Andersen Defendants respond that the New York Times article, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

571. Answering Paragraph 571, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

572. Answering Paragraph 572, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

573. Answering Paragraph 573, the Individual Andersen Defendants respond that this paragraph states conclusions of law to which no response is required. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

574. Answering Paragraph 574, the Individual Andersen Defendants respond that this paragraph states conclusions of law to which no response is required. To the extent a response is required, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

575. Answering Paragraph 575, the Individual Andersen Defendants respond that this paragraph states conclusions of law to which no response is required. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

576. Answering Paragraph 576, the Individual Andersen Defendants respond that this paragraph states conclusions of law to which no response is required. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

577. Answering Paragraph 577, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

578. Answering Paragraph 578, the Individual Andersen Defendants respond that this

paragraph states conclusions of law to which no response is required. The Individual Andersen Defendants further respond that ARB No. 45 speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

579. Answering Paragraph 579, the Individual Andersen Defendants respond that this paragraph states conclusions of law to which no response is required. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

580. Answering Paragraph 580, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

581. Answering Paragraph 581, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

582. Answering Paragraph 582, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

583. Answering Paragraph 583, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

584. Answering Paragraph 584, the Individual Andersen Defendants respond that this paragraph states conclusions of law to which no response is required. The Individual Andersen Defendants further respond that SFAS No. 121 speaks for itself.

585. Answering Paragraph 585, the Individual Andersen Defendants respond that this paragraph states conclusions of law to which no response is required. The Individual Andersen Defendants further respond that SFAS No. 115 speaks for itself.

586. Answering Paragraph 586, the Individual Andersen Defendants respond that this paragraph states conclusions of law to which no response is required. To the extent a response is required, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

587. Answering Paragraph 587, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

588. Answering Paragraph 588, the Individual Andersen Defendants respond that the Enron earnings release, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

589. Answering Paragraph 589, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

590. Answering Paragraph 590, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

591. Answering Paragraph 591, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

592. Answering Paragraph 592, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

593. Answering Paragraph 593, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

594. Answering Paragraph 594, the Individual Andersen Defendants respond that this paragraph states conclusions of law to which no response is required. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

595. Answering Paragraph 595, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

596. Answering Paragraph 596, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

597. Answering Paragraph 597, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

598. Answering Paragraph 598, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

599. Answering Paragraph 599, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

600. Answering Paragraph 600, the Individual Andersen Defendants respond that the Wall Street Journal article, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

601. Answering Paragraph 601, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

602. Answering Paragraph 602, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

603. Answering Paragraph 603, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

604. Answering Paragraph 604, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

605. Answering Paragraph 605, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

606. Answering Paragraph 606, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

607. Answering Paragraph 607, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

608. Answering Paragraph 608, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

609. Answering Paragraph 609, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

610. Answering Paragraph 610 and subparagraphs, the Individual Andersen Defendants respond that this paragraph and subparagraphs state conclusions of law to which no response is required, and that the accounting literature cited therein speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

611. Answering Paragraph 611, the Individual Andersen Defendants respond that this

paragraph states conclusions of law to which no response is required. To the extent a response is required, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

612. Answering Paragraph 612, the Individual Andersen Defendants respond that the specific registration statements cited speak for themselves. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

613. Answering Paragraph 613, the Individual Andersen Defendants respond that this paragraph states conclusions of law to which no response is required. The Individual Andersen Defendants further respond that it contains no new averments of fact and merely recites contentions noted in ¶¶418-611, and, as such, the Individual Andersen Defendants incorporate by reference their responses to those paragraphs herein. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

614. Answering Paragraph 614, the Individual Andersen Defendants respond that the December 31, 1997 Registration Statement speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

615. Answering Paragraph 615, the Individual Andersen Defendants respond that the registration statements and SEC filings speak for themselves. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

616. Answering Paragraph 616, each of the Individual Andersen Defendants denies the averments to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

617. Answering Paragraph 617, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

618. Answering Paragraph 618, the Individual Andersen Defendants respond that the June 6, 2001 Registration Statement for Enron's zero coupon convertible notes speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

619. Answering Paragraph 619, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

620. Answering Paragraph 620, the Individual Andersen Defendants respond that the Offering Documents speak for themselves. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

621. Answering Paragraph 621, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

622. Answering Paragraph 622, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

623. Answering Paragraph 623, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

624. Answering Paragraph 624, the Individual Andersen Defendants respond that the Offering Documents speak for themselves. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

625. Answering Paragraph 625, the Individual Andersen Defendants respond that the Offering Documents speak for themselves. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

626. Answering Paragraph 626, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

627. Answering Paragraph 627, the Individual Andersen Defendants respond that the Offering Documents speak for themselves. The Individual Andersen Defendants lack knowledge



or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

628. Answering Paragraph 628, the Individual Andersen Defendants respond that the Offering Documents speak for themselves. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

629. Answering Paragraph 629, the Individual Andersen Defendants respond that the Offering Documents speak for themselves. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

630. Answering Paragraph 630, each of the Individual Andersen Defendants denies the averments made therein to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

631. Answering Paragraph 631, the Individual Andersen Defendants respond that Enron's 1999 10-K speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

632. Answering Paragraph 632, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

633. Answering Paragraph 633, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

634. Answering Paragraph 634, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

635. Answering Paragraph 635, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

636. Answering Paragraph 636, the Individual Andersen Defendants respond that Enron's 2000 10-K speaks for itself. The Individual Andersen Defendants lack knowledge or

information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

637. Answering Paragraph 637, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

638. Answering Paragraph 638, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

639. Answering Paragraph 639, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

640. Answering Paragraph 640, the Individual Andersen Defendants respond that Enron's SEC filings and Offering Documents cited therein speak for themselves. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

641. Answering Paragraph 641, the Individual Andersen Defendants respond that Enron's Form 10-Ks cited therein speak for themselves. The Individual Andersen Defendants further respond that to the extent that this paragraph merely recites and references contentions noted in ¶¶ 418-611, the Individual Andersen Defendants incorporate by reference their responses to those paragraphs. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

642. Answering Paragraph 642, the Individual Andersen Defendants respond that this paragraph states conclusions of law to which no response is required. The Individual Andersen Defendants further respond that the case law citations referenced therein speak for themselves. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

643. Answering Paragraph 643, the Individual Andersen Defendants respond that this paragraph states conclusions of law to which no response is required. The Individual Andersen Defendants respond that the Business Week article, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to

the truth of the remaining averments made in this paragraph.

644. Answering Paragraph 644, the Individual Andersen Defendants respond that the Miami Herald article, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

645. Answering Paragraph 645, the Individual Andersen Defendants respond that the Dow Jones News Service article, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

646. Answering Paragraph 646, the Individual Andersen Defendants respond that the averments of this paragraph have been made numerous times in various locations throughout this complaint and, as such, the Individual Andersen Defendants incorporate its previous responses to such contentions herein. The Individual Andersen Defendants further respond that the various documents cited therein, including the LJM2 Offering Memorandum, if accurately cited, speak for themselves. Each of the Individual Andersen Defendants denies the averments in this paragraph to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

647. Answering Paragraph 647, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

648. Answering Paragraph 648, the Individual Andersen Defendants respond that the Business Week, Washington Post, and New York Times articles, if accurately cited, speak for themselves. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

649. Answering Paragraph 649, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

650. Answering Paragraph 650, the Individual Andersen Defendants respond that this paragraph states conclusions of law to which no response is required. The Individual Andersen

Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

651. Answering Paragraph 651, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

652. Answering Paragraph 652, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

653. Answering Paragraph 653, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

654. Answering Paragraph 654, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

655. Answering Paragraph 655, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

656. Answering Paragraph 656, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

657. Answering Paragraph 657, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

658. Answering Paragraph 658, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

659. Answering Paragraph 659, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

660. Answering Paragraph 660, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

661. Answering Paragraph 661, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

662. Answering Paragraph 662, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

663. Answering Paragraph 663, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

664. Answering Paragraph 664, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

665. Answering Paragraph 665, the Individual Andersen Defendants respond that the court opinion, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

666. Answering Paragraph 666, the Individual Andersen Defendants respond that the Dow Jones article, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

667. Answering Paragraph 667, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

668. Answering Paragraph 668, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

669. Answering Paragraph 669, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

670. Answering Paragraph 670, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

671. Answering Paragraph 671, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

672. Answering Paragraph 672, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

673. Answering Paragraph 673, the Individual Andersen Defendants respond that this paragraph states conclusions of law to which no response is required. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

674. Answering Paragraph 674, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

675. Answering Paragraph 675, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

676. Answering Paragraph 676, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

677. Answering Paragraph 677, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

678. Answering Paragraph 678, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

679. Answering Paragraph 679, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

680. Answering Paragraph 680, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

681. Answering Paragraph 681, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

682. Answering Paragraph 682, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

683. Answering Paragraph 683, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

684. Answering Paragraph 684, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

685. Answering Paragraph 685, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

686. Answering Paragraph 686, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

687. Answering Paragraph 687, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

688. Answering Paragraph 688, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

689. Answering Paragraph 689, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

690. Answering Paragraph 690, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

691. Answering Paragraph 691, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

692. Answering Paragraph 692, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

693. Answering Paragraph 693, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

694. Answering Paragraph 694, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

695. Answering Paragraph 695, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

696. Answering Paragraph 696, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

697. Answering Paragraph 697, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

698. Answering Paragraph 698, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

699. Answering Paragraph 699, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

700. Answering Paragraph 700, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

701. Answering Paragraph 701, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

702. Answering Paragraph 702, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

703. Answering Paragraph 703, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

704. Answering Paragraph 704, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

705. Answering Paragraph 705, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

706. Answering Paragraph 706, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

707. Answering Paragraph 707, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

708. Answering Paragraph 708, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

709. Answering Paragraph 709, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

710. Answering Paragraph 710, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

711. Answering Paragraph 711, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

712. Answering Paragraph 712, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

713. Answering Paragraph 713, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

714. Answering Paragraph 714, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

715. Answering Paragraph 715, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

716. Answering Paragraph 716, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.



717. Answering Paragraph 717, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

718. Answering Paragraph 718, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

719. Answering Paragraph 719, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

720. Answering Paragraph 720, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

721. Answering Paragraph 721, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

722. Answering Paragraph 722, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

723. Answering Paragraph 723, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

724. Answering Paragraph 724, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

725. Answering Paragraph 725, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

726. Answering Paragraph 726, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

727. Answering Paragraph 727, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

728. Answering Paragraph 728, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

729. Answering Paragraph 729, the Individual Andersen Defendants respond that the Wall Street Journal article, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

730. Answering Paragraph 730, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

731. Answering Paragraph 731, each of the Individual Andersen Defendants denies the averments therein to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

732. Answering Paragraph 732, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

733. Answering Paragraph 733, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

734. Answering Paragraph 734, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

735. Answering Paragraph 735, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

736. Answering Paragraph 736, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

737. Answering Paragraph 737, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

738. Answering Paragraph 738, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

739. Answering Paragraph 739, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

740. Answering Paragraph 740, the Individual Andersen Defendants respond that the Private Placement Memorandum speaks for itself. Each of the Individual Andersen Defendants denies the averments therein to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

741. Answering Paragraph 741, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

742. Answering Paragraph 742, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

743. Answering Paragraph 743, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

744. Answering Paragraph 744, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

745. Answering Paragraph 745, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

746. Answering Paragraph 746, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

747. Answering Paragraph 747, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

748. Answering Paragraph 748, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

749. Answering Paragraph 749, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

750. Answering Paragraph 750, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

751. Answering Paragraph 751, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

752. Answering Paragraph 752, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

753. Answering Paragraph 753, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

754. Answering Paragraph 754, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

755. Answering Paragraph 755, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

756. Answering Paragraph 756, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

757. Answering Paragraph 757, each of the Individual Andersen Defendants denies the averments therein to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

758. Answering Paragraph 758, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

759. Answering Paragraph 759, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

760. Answering Paragraph 760, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

761. Answering Paragraph 761, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

762. Answering Paragraph 762, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

763. Answering Paragraph 763, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

764. Answering Paragraph 764, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

765. Answering Paragraph 765, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

766. Answering Paragraph 766, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

767. Answering Paragraph 767, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

768. Answering Paragraph 768, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

769. Answering Paragraph 769, the Individual Andersen Defendants lack knowledge

or information sufficient to form a belief as to the truth of the averments made in this paragraph.

770. Answering Paragraph 770, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

771. Answering Paragraph 771, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

772. Answering Paragraph 772, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

773. Answering Paragraph 773, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

774. Answering Paragraph 774, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

775. Answering Paragraph 775, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

776. Answering Paragraph 776, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

777. Answering Paragraph 777, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

778. Answering Paragraph 778, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

779. Answering Paragraph 779, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

780. Answering Paragraph 780, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

781. Answering Paragraph 781, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

782. Answering Paragraph 782, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

783. Answering Paragraph 783, the Individual Andersen Defendants lack knowledge

or information sufficient to form a belief as to the truth of the averments made in this paragraph.

784. Answering Paragraph 784, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

785. Answering Paragraph 785, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

786. Answering Paragraph 786, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

787. Answering Paragraph 787, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

788. Answering Paragraph 788, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

789. Answering Paragraph 789, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

790. Answering Paragraph 790, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

791. Answering Paragraph 791, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

792. Answering Paragraph 792, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

793. Answering Paragraph 793, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

794. Answering Paragraph 794, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

795. Answering Paragraph 795, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

796. Answering Paragraph 796, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

797. Answering Paragraph 797, the Individual Andersen Defendants lack knowledge

or information sufficient to form a belief as to the truth of the averments made in this paragraph.

798. Answering Paragraph 798, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

799. Answering Paragraph 799, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

800. Answering Paragraph 800, the Individual Andersen Defendants respond that the various media articles, if accurately cited, speak for themselves. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

801. Answering Paragraph 801, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

802. Answering Paragraph 802, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

803. Answering Paragraph 803, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

804. Answering Paragraph 804, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

805. Answering Paragraph 805, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

806. Answering Paragraph 806, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

807. Answering Paragraph 807, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

808. Answering Paragraph 808, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

809. Answering Paragraph 809, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

810. Answering Paragraph 810, the Individual Andersen Defendants lack knowledge

or information sufficient to form a belief as to the truth of the averments made in this paragraph.

811. Answering Paragraph 811, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

812. Answering Paragraph 812, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

813. Answering Paragraph 813, the Individual Andersen Defendants respond that the Private Placement Memorandum, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

814. Answering Paragraph 814, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

815. Answering Paragraph 815, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

816. Answering Paragraph 816, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

817. Answering Paragraph 817, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

818. Answering Paragraph 818, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

819. Answering Paragraph 819, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

820. Answering Paragraph 820, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

821. Answering Paragraph 821, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

822. Answering Paragraph 822, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

823. Answering Paragraph 823, the Individual Andersen Defendants lack knowledge



or information sufficient to form a belief as to the truth of the averments made in this paragraph.

824. Answering Paragraph 824, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

825. Answering Paragraph 825, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

826. Answering Paragraph 826, the Individual Andersen Defendants respond that Enron's Form 10-Ks speak for themselves. The Individual Andersen Defendants further respond that this paragraph states conclusions of law to which no response is required. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

827. Answering Paragraph 827, the Individual Andersen Defendants respond that Enron's May 15, 2001 and August 14, 2001 Form 10-Qs speak for themselves. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

828. Answering Paragraph 828, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

829. Answering Paragraph 829, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

830. Answering Paragraph 830, the Individual Andersen Defendants respond that the Powers Report speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

831. Answering Paragraph 831, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

832. Answering Paragraph 832, the Individual Andersen Defendants respond that Enron's August 16, 1999 Form 10-Q speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

833. Answering Paragraph 833, the Individual Andersen Defendants respond that the quotation from Enron's Special Investigative Committee, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

834. Answering Paragraph 834, the Individual Andersen Defendants respond that Enron's August 14, 2001 Form 10-Q speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

835. Answering Paragraph 835, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

836. Answering Paragraph 836, the Individual Andersen Defendants respond that Enron's August 16, 1999 Form 10-Q speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

837. Answering Paragraph 837, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

838. Answering Paragraph 838, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

839. Answering Paragraph 839, the Individual Andersen Defendants respond that Enron's August 14, 2000 Form 10-Q speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

840. Answering Paragraph 840, the Individual Andersen Defendants respond that Enron's November, 14, 2000 Form 10-Q speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

841. Answering Paragraph 841, the Individual Andersen Defendants respond that Enron's April 2, 2001 Form 10-K speaks for itself. The Individual Andersen Defendants lack

knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

842. Answering Paragraph 842, the Individual Andersen Defendants respond that Enron's May 15, 2001 and August 14, 2001 Form 10-Qs speak for themselves. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

843. Answering Paragraph 843, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

844. Answering Paragraph 844, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

845. Answering Paragraph 845, the Individual Andersen Defendants respond that the referenced public filings, if accurately cited, speak for themselves. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

846. Answering Paragraph 846, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

847. Answering Paragraph 847, the Individual Andersen Defendants respond that the citations from Enron's Special Investigative Committee, if accurately cited, speak for themselves. The Individual Andersen Defendants respond that this paragraph states conclusions of law to which no response is required. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

848. Answering Paragraph 848, the Individual Andersen Defendants respond that Enron's May 2, 2000 Proxy Statement and the referenced Mintz memo speak for themselves. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

849. Answering Paragraph 849, the Individual Andersen Defendants respond that this paragraph states conclusions of law to which no response is required. The Individual Andersen

Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

850. Answering Paragraph 850, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

851. Answering Paragraph 851, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

852. Answering Paragraph 852, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

853. Answering Paragraph 853, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

854. Answering Paragraph 854, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

855. Answering Paragraph 855, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

856. Answering Paragraph 856, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

857. Answering Paragraph 857, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

858. Answering Paragraph 858, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

859. Answering Paragraph 859, each of the Individual Andersen Defendants denies the averments therein to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

860. Answering Paragraph 860, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

861. Answering Paragraph 861, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

862. Answering Paragraph 862, each of the Individual Andersen Defendants denies the

averments therein to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

863. Answering Paragraph 863, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

864. Answering Paragraph 864, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

865. Answering Paragraph 865, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

866. Answering Paragraph 866, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

867. Answering Paragraph 867, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

868. Answering Paragraph 868, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

869. Answering Paragraph 869, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

870. Answering Paragraph 870, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

871. Answering Paragraph 871, each of the Individual Andersen Defendants denies the averments therein to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

872. Answering Paragraph 872, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

873. Answering Paragraph 873, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

874. Answering Paragraph 874, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

875. Answering Paragraph 875, the Individual Andersen Defendants lack knowledge

or information sufficient to form a belief as to the truth of the averments made in this paragraph.

876. Answering Paragraph 876, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

877. Answering Paragraph 877, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

878. Answering Paragraph 878, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

879. Answering Paragraph 879, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

880. Answering Paragraph 880, the Individual Andersen Defendants respond that the Private Placement Memorandum, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

881. Answering Paragraph 881, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

882. Answering Paragraph 882, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

883. Answering Paragraph 883, each of the Individual Andersen Defendants denies the averments therein to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

884. Answering Paragraph 884, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

885. Answering Paragraph 885, the Individual Andersen Defendants respond that the supplement to the PPM speaks for itself. Each of the Individual Andersen Defendants denies the averments in this paragraph to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

886. Answering Paragraph 886, the Individual Andersen Defendants lack knowledge

or information sufficient to form a belief as to the truth of the averments made in this paragraph.

887. Answering Paragraph 887, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

888. Answering Paragraph 888, each of the Individual Andersen Defendants denies the averments therein to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

889. Answering Paragraph 889, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

890. Answering Paragraph 890, each of the Individual Andersen Defendants denies the averments therein to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

891. Answering Paragraph 891, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

892. Answering Paragraph 892, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

893. Answering Paragraph 893, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

894. Answering Paragraph 894, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

895. Answering Paragraph 895, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

896. Answering Paragraph 896, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

897. Answering Paragraph 897, the Individual Andersen Defendants admit that Andersen audited Enron's financial statements for the fiscal years 1997, 1998, 1999, and 2000, and that services in connection therewith were provided from Andersen's Houston and Portland offices. Each of the Individual Andersen Defendants denies the remaining averments in this

paragraph to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

898. Answering Paragraph 898, the Individual Andersen Defendants respond that this paragraph states conclusions of law and argument to which no response is required. The Individual Andersen Defendants further respond that the citation to United States v. Arthur Young & Co., 465 U.S. 805 (1984) speaks for itself. Each of the Individual Andersen Defendants denies the remaining averments in this paragraph to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

899. Answering Paragraph 899, the Individual Andersen Defendants respond that the audit reports relating to Enron's annual financial statements for fiscal years 1997, 1998, 1999, and 2000 speak for themselves. Each of the Individual Andersen Defendants denies the remaining averments in this paragraph to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

900. Answering Paragraph 900, the Individual Andersen Defendants respond that the SEC Accounting Series Release No. 296, if accurately cited, speaks for itself.

901. Answering Paragraph 901, the Individual Andersen Defendants respond that this paragraph states conclusions of law and argument to which no response is required. The Individual Andersen Defendants respond that the Code of Professional Ethics sections, if accurately cited, speak for themselves. Each of the Individual Andersen Defendants denies the remaining averments in this paragraph to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

902. Answering Paragraph 902, the Individual Andersen Defendants respond that this paragraph states conclusions of law and argument to which no response is required.

903. Answering Paragraph 903, the Individual Andersen Defendants respond that the



cited February 23, 2001 report speaks for itself.

904. Answering Paragraph 904, the Individual Andersen Defendants respond that the issued audit reports for Enron's financial statements for fiscal years 1997, 1998, and 1999 speak for themselves.

905. Answering Paragraph 905, the Individual Andersen Defendants respond that this paragraph states conclusions of law and argument to which no response is required. The Individual Andersen Defendants incorporate by reference their responses to ¶¶ 418-611. Each of the Individual Andersen Defendants denies the remaining averments in this paragraph to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

906. Answering Paragraph 906, each of the Individual Andersen Defendants denies the averments made in this paragraph to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining allegations made in this paragraph.

907. Answering Paragraph 907, each of the Individual Andersen Defendants denies the averments made in this paragraph to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the averments in this paragraph.

908. Answering Paragraph 908, the Individual Andersen Defendants respond that this paragraph states conclusions of law and argument to which no response is required. The Individual Andersen Defendants further respond that the referenced Professional Audit Standards speak for themselves.

909. Answering Paragraph 909, the Individual Andersen Defendants respond that this paragraph states conclusions of law and argument to which no response is required. The Individual Defendants incorporate by reference their response to ¶¶ 962-969. Each of the Individual Andersen Defendants denies the remaining averments in this paragraph to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

910. Answering Paragraph 910, each of the Individual Andersen Defendants denies the averments made in this paragraph to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the averments in this paragraph.

911. Answering Paragraph 911, the Individual Andersen Defendants respond that this paragraph states conclusions of law and argument to which no response is required. Each of the Individual Andersen Defendants denies the remaining averments in this paragraph to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

912. Answering Paragraph 912, each of the Individual Andersen Defendants denies the averments made in this paragraph to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining allegations made in this paragraph.

913. Answering Paragraph 913, each of the Individual Andersen Defendants denies the averments made in this paragraph to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining allegations made in this paragraph.

914. Answering Paragraph 914, each of the Individual Andersen Defendants denies the averments made in this paragraph to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments in this paragraph.

915. Answering Paragraph 915, each of the Individual Andersen Defendants denies the averments made in this paragraph to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments in this paragraph.

916. Answering Paragraph 916, each of the Individual Andersen Defendants denies the averments made in this paragraph to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining

avermments in this paragraph.

917. Answering Paragraph 917, the Individual Andersen Defendants incorporate their responses to paragraphs 962-966. Each of the Individual Andersen Defendants denies the remaining averments in this paragraph to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

918. Answering Paragraph 918, the Individual Andersen Defendants admit that Andersen was indicted and respond further that such indictment speaks for itself. Each of the Individual Andersen Defendants denies the remaining averments in this paragraph to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

919. Answering Paragraph 919, each of the Individual Andersen Defendants denies the averments made in this paragraph to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments in this paragraph and its subparagraphs.

920. Answering Paragraph 920, each of the Individual Andersen Defendants denies the averments made in this paragraph to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments in this paragraph.

921. Answering Paragraph 921, the Individual Andersen Defendants respond that this paragraphs states conclusions of law to which no response is required. The Individual Andersen Defendants further respond that the SAS sections speak for themselves. Each of the Individual Andersen Defendants denies the remaining averments in this paragraph to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

922. Answering Paragraph 922, the Individual Andersen Defendants respond that AU § 316.17(a) speaks for itself. Each of the Individual Andersen Defendants denies the remaining averments in this paragraph to the extent they refer or relate to him or her, and otherwise lacks

knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

923. Answering Paragraph 923, the Individual Andersen Defendants respond that AU § 316.17(c) speaks for itself. Each of the Individual Andersen Defendants denies the remaining averments in this paragraph to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

924. Answering Paragraph 924, to the extent that this paragraph purports to describe Enron's financial statements or other public filings or information reported therein, those documents speak for themselves. Each of the Individual Andersen Defendants denies the remaining averments in this paragraph to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

925. Answering Paragraph 925, each of the Individual Andersen Defendants denies the averments made in this paragraph to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments in this paragraph.

926. Answering Paragraph 926, each of the Individual Andersen Defendants denies the averments made in this paragraph to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments in this paragraph.

927. Answering Paragraph 927, each of the Individual Andersen Defendants denies the averments made in this paragraph to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments in this paragraph.

928. Answering Paragraph 928, the Individual Andersen Defendants respond that the email referenced speaks for itself. Each of the Individual Andersen Defendants denies the remaining averments in this paragraph to the extent they refer or relate to him or her, and

otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

929. Answering Paragraph 929, the Individual Andersen Defendants respond that the email referenced speaks for itself. Each of Cash, Stewart and Neuhausen denies the remaining averments made in this paragraph to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining allegations made in this paragraph. The remaining Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

930. Answering Paragraph 930, the Individual Andersen Defendants respond that the referenced notes speak for themselves. Each of the Individual Andersen Defendants denies the remaining averments made in this paragraph to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining allegations made in this paragraph.

931. Answering Paragraph 931, the Individual Andersen Defendants respond that the audit report speaks for itself. Each of the Individual Andersen Defendants denies the remaining averments in this paragraph to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

932. Answering Paragraph 932, the Individual Andersen Defendants respond that the email referenced speaks for itself. Stewart denies the remaining averments made in this paragraph to the extent they relate to him, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining allegations made in this paragraph. The remaining Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

933. Answering Paragraph 933, each of the Individual Andersen Defendants denies the averments made in this paragraph to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining

averments made in this paragraph.

934. Answering Paragraph 934, the Individual Andersen Defendants respond that, to the extent that this paragraph purports to quote from an unidentified document, such document speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

935. Answering Paragraph 935, each of the Individual Andersen Defendants denies the averments made in this paragraph to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

936. Answering Paragraph 936, the Individual Andersen Defendants respond that the New York Times article, if accurately cited, speaks for itself. Each of the Individual Andersen Defendants denies the remaining averments in this paragraph to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

937. Answering Paragraph 937, the Individual Andersen Defendants respond that the Associated Press Report, if accurately cited, speaks for itself. Each of the Individual Andersen Defendants denies the remaining averments in this paragraph to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

938. Answering Paragraph 938, the Individual Andersen Defendants respond that the referenced email, if accurately cited, speaks for itself. Each of the Individual Andersen Defendants denies the remaining averments in this paragraph to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

939. Answering Paragraph 939, the Individual Andersen Defendants respond that the U.S. News and World Report article, if accurately cited, speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

940. Answering Paragraph 940, each of the Individual Andersen Defendants denies the averments made in this paragraph to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

941. Answering Paragraph 941, each the Individual Andersen Defendants denies the averments made in this paragraph to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

942. Answering Paragraph 942, each of the Individual Andersen Defendants denies the averments made in this paragraph to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining allegations made in this paragraph.

943. Answering Paragraph 943, the Individual Andersen Defendants respond that this paragraph states conclusions of law to which no response is required. The Individual Andersen Defendants further respond that AU § 334.09 speaks for itself Each of the Individual Andersen Defendants denies the remaining averments in this paragraph to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

944. Answering Paragraph 944, the Individual Andersen Defendants respond that this paragraph states conclusions of law to which no response is required. Each of the Individual Andersen Defendants denies the remaining averments in this paragraph to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

945. Answering Paragraph 945, each of the Individual Andersen Defendants denies the averments made in this paragraph to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining allegations made in this paragraph.

946. Answering Paragraph 946, the Individual Andersen Defendants incorporate their

responses to paragraphs 435-447 herewith. Each of the Individual Andersen Defendants denies the remaining averments in this paragraph to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

947. Answering Paragraph 947, each of the Individual Andersen Defendants denies the averments made in this paragraph to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining allegations made in this paragraph.

948. Answering Paragraph 948, the Individual Andersen Defendants respond that the LJM2 PPM speaks for itself. Each of the Individual Andersen Defendants denies the remaining averments in this paragraph to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

949. Answering Paragraph 949, each of the Individual Andersen Defendants denies the averments made in this paragraph to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining allegations made in this paragraph and its subparagraphs.

950. Answering Paragraph 950, each of the Individual Andersen Defendants denies the averments made in this paragraph to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining allegations made in this paragraph.

951. Answering Paragraph 951, the Individual Andersen Defendants incorporate by reference their responses to paragraphs 445-446 and 477-484. The Individual Andersen Defendants respond that the Bloomberg article, if accurately cited, speaks for itself. Each of the Individual Andersen Defendants denies the remaining averments in this paragraph to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

952. Answering Paragraph 952, the Individual Andersen Defendants respond that this



paragraph states conclusions of law and arguments to which no response is required. Each of the Individual Andersen Defendants denies the remaining averments in this paragraph to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph and its subparagraphs.

953. Answering Paragraph 953, each of the Individual Andersen Defendants denies the averments therein to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

954. Answering Paragraph 954, the Individual Andersen Defendants respond that this paragraph states conclusions of law and arguments to which no response is required. Each of the Individual Andersen Defendants denies the remaining averments in this paragraph to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

955. Answering Paragraph 955, each of the Individual Andersen Defendants denies the averments made in this paragraph to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining allegations made in this paragraph.

956. Answering Paragraph 956, the Individual Andersen Defendants respond that, to the extent this paragraph purports to characterize Enron's November 8, 2001 Form 8-K filing, the document speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

957. Answering Paragraph 957, the Individual Andersen Defendants respond that the averments in this paragraph state conclusions of law to which no response is required. The Individual Andersen Defendants further respond that SAS No. 32 speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

958. Answering Paragraph 958, the Individual Andersen Defendants respond that the

avermments of this paragraph state conclusions of law to which no response is required. The Individual Andersen Defendants further respond that AU § 334.11 speaks for itself. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

959. Answering Paragraph 959, the Individual Andersen Defendants respond that the averments relating to the adequacy of Enron's disclosures state conclusions of law to which no response is required. Each of the Individual Andersen Defendants denies the remaining averments in this paragraph to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

960. Answering Paragraph 960, the Individual Andersen Defendants respond that the Wall Street Journal article, if accurately cited, speaks for itself.

961. Answering Paragraph 961, the Individual Andersen Defendants respond that the averments regarding the adequacy of Enron's disclosures state conclusions of law to which no response is required. The Individual Andersen Defendants respond that the New York Times article, if accurately cited, speaks for itself. Each of the Individual Andersen Defendants denies the remaining averments in this paragraph to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

962. Answering Paragraph 962, the Individual Andersen Defendants admit that a federal grand jury indicted Andersen, which indictment speaks for itself. Each of the Individual Andersen Defendants denies the remaining averments in this paragraph to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

963. Answering Paragraph 963, the Individual Andersen Defendants incorporate their response to Paragraph 919. Each of the Individual Andersen Defendants denies the remaining averments in this paragraph to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments

made in this paragraph.

964. Answering Paragraph 964, each of the Individual Andersen Defendants denies the averments made in this paragraph to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining allegations made in this paragraph.

965. Answering Paragraph 965, the Individual Andersen Defendants respond that the New York Times article, if accurately cited, speaks for itself. Each of the Individual Andersen Defendants denies the remaining averments in this paragraph to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

966. Answering Paragraph 966, the Individual Andersen Defendants respond that the referenced documents speak for themselves. Each of the Individual Andersen Defendants denies the remaining averments made in this paragraph to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining allegations made in this paragraph.

967. Answering Paragraph 967, each of the Individual Andersen Defendants denies the averments made in this paragraph to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining allegations made in this paragraph.

968. Answering Paragraph 968, the Individual Andersen Defendants respond that this paragraph states conclusions of law to which no response is required. The Individual Andersen Defendants respond that the bylaws of AICPA speak for themselves. Each of the Individual Andersen Defendants denies the remaining averments made in this paragraph to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining allegations made in this paragraph.

969. Answering Paragraph 969, the Individual Andersen Defendants respond that this paragraph states conclusions of law to which no response is required. The Individual Andersen Defendants respond that AU §§ 150, 110 speaks for itself. Each of the Individual Andersen

Defendants denies the remaining averments made in this paragraph to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining allegations made in this paragraph.

970. Answering Paragraph 970, the Individual Andersen Defendants respond that this paragraph states conclusions of law to which no response is required. Each of the Individual Andersen Defendants denies the remaining averments made in this paragraph to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining allegations made in this paragraph and its subparagraphs.

971. Answering Paragraph 971, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

972. Answering Paragraph 972, the Individual Andersen Defendants respond that the Federal Election Commission Advisory Opinion cited therein, if accurately cited, speaks for itself.

973. Answering Paragraph 973, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph and its subparagraphs.

974. Answering Paragraph 974, the Individual Andersen Defendants respond that Andersen's public statements, if accurately cited, speak for themselves. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

975. Answering Paragraph 975, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

976. Answering Paragraph 976, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

977. Answering Paragraph 977, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

978. Answering Paragraph 978, the Individual Andersen Defendants deny the averments made in this paragraph.

979. Answering Paragraph 979, the Individual Andersen Defendants admit that Berardino was the former Chief Executive Officer of Andersen Worldwide and the Chief Executive Officer of Andersen. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

980. Answering Paragraph 980, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

981. Answering Paragraph 981, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

982. Answering Paragraph 982, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

983. Answering Paragraph 983, the Individual Andersen Defendants respond that the averments of this paragraph state conclusions of law and argument to which no response is required. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

984. Answering Paragraph 984, the Individual Andersen Defendants respond that the averments of this paragraph state conclusions of law and argument to which no response is required. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

985. Answering Paragraph 985, the Individual Andersen Defendants respond that the averments of this paragraph state conclusions of law and argument to which no response is required. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

986. Answering Paragraph 986, the Individual Andersen Defendants respond that the averments of this paragraph state conclusions of law and argument to which no response is required. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

987. Answering Paragraph 987, the Individual Andersen Defendants respond that the

avermments of this paragraph state conclusions of law and argument to which no response is required. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

988. Answering Paragraph 988, the Individual Andersen Defendants respond that the averments of this paragraph state conclusions of law and argument to which no response is required. Each of the Individual Andersen Defendants denies the remaining averments made in this paragraph to the extent they relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

989. Answering Paragraph 989, the Individual Andersen Defendants respond that the averments of this paragraph state conclusions of law and argument to which no response is required. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

990. Answering Paragraph 990, the Individual Andersen Defendants respond that the averments of this paragraph state conclusions of law and argument to which no response is required. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

991. Answering Paragraph 991, the Individual Andersen Defendants respond that the averments of this paragraph state conclusions of law and argument to which no response is required. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

992. Answering Paragraph 992, the Individual Andersen Defendants reincorporate their previous responses to paragraphs 1 through 991 as if set forth fully herein.

993. Answering Paragraph 993, the Individual Andersen Defendants respond that the averments of this paragraph state conclusions of law to which no response is required.

994. Answering Paragraph 994, each of the Individual Andersen Defendants denies the averments made therein to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments

made in this paragraph.

995. Answering Paragraph 995, each of the Individual Andersen Defendants denies the averments made therein to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph and its subparagraphs.

996. Answering Paragraph 996, each of the Individual Andersen Defendants denies the averments made therein to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

997. Answering Paragraph 997, each of the Individual Andersen Defendants denies the averments made in this paragraph to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

998. Answering Paragraph 998, the Individual Andersen Defendants reincorporate their previous responses to paragraphs 1 through 997 as if set forth fully herein.

999. Answering Paragraph 999, the Individual Andersen Defendants respond that the Complaint speaks for itself.

1000. Answering Paragraph 1000, the Individual Andersen Defendants respond that the averments of this paragraph state conclusions of law to which no response is required. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

1001. Answering Paragraph 1001, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

1002. Answering Paragraph 1002, the Individual Andersen Defendants respond that the averments of this paragraph state conclusions of law to which no response is required. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

1003. Answering Paragraph 1003, the Individual Andersen Defendants lack knowledge

or information sufficient to form a belief as to the truth of the averments in this paragraph.

1004. Answering Paragraph 1004, the Individual Andersen Defendants respond that the averments of this paragraph state conclusions of law to which no response is required. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

1005. Answering Paragraph 1005, the Individual Andersen Defendants reincorporate their previous responses to the paragraphs listed as if set forth fully herein. As to the averments of the second sentence, the Individual Andersen Defendants respond that the Complaint speaks for itself.

1006. Answering Paragraph 1006, the Individual Andersen Defendants respond that the Complaint speaks for itself.

1007. Answering Paragraph 1007, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

1008. Answering Paragraph 1008, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

1009. Answering Paragraph 1009, the Individual Andersen Defendants respond that this paragraph states conclusions of law to which no response is required. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

1010. Answering Paragraph 1010, the Individual Andersen Defendants respond that this paragraph states conclusions of law to which no response is required. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

1011. Answering Paragraph 1011, the Individual Andersen Defendants respond that this paragraph states conclusions of law to which no response is required. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

1012. Answering Paragraph 1012, the Individual Andersen Defendants lack knowledge



or information sufficient to form a belief as to the truth of the averments made in this paragraph.

1013. Answering Paragraph 1013, the Individual Andersen Defendants respond that this paragraph states conclusions of law to which no response is required. The Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

1014. Answering Paragraph 1014, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

1015. Answering Paragraph 1015, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

1016. Answering Paragraph 1016, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

1017. Answering Paragraph 1017, the Individual Andersen Defendants reincorporate their previous responses to paragraphs 1 through 1016 as if set forth fully herein.

1018. Answering Paragraph 1018, the Individual Andersen Defendants respond that the Complaint speaks for itself.

1019. Answering Paragraph 1019, the Individual Andersen Defendants respond that the Complaint speaks for itself.

1020. Answering Paragraph 1020, each of the Individual Andersen Defendants denies the averments made therein to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

1021. Answering Paragraph 1021, each of the Individual Andersen Defendants denies the averments made therein to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

1022. Answering Paragraph 1022, each of the Individual Andersen Defendants denies the averments made therein to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments

made in this paragraph.

1023. Answering Paragraph 1023, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

1024. Answering Paragraph 1024, each of the Individual Andersen Defendants denies the averments made therein to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph and its subparagraphs.

1025. Answering Paragraph 1025, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

1026. Answering Paragraph 1026, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

1027. Answering Paragraph 1027, each of the Individual Andersen Defendants denies the averments made therein to the extent they refer or relate to him or her, and otherwise lacks knowledge or information sufficient to form a belief as to the truth of the remaining averments made in this paragraph.

1028. Answering Paragraph 1028, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

1029. Answering Paragraph 1029, the Individual Andersen Defendants respond that the Complaint speaks for itself.

1030. Answering Paragraph 1030, the Individual Andersen Defendants lack knowledge or information sufficient to form a belief as to the truth of the averments made in this paragraph.

### **AFFIRMATIVE DEFENSES**

As separate and distinct affirmative defenses to the causes of action asserted in the Complaint,<sup>4</sup> the Individual Andersen Defendants allege as follows:

---

<sup>4</sup> By asserting these defenses affirmatively herein, the Individual Andersen Defendants do not assume the burden of proof as to these defenses where such burden would otherwise rest on the Lead Plaintiff.

## **FIRST SEPARATE AND AFFIRMATIVE DEFENSE**

(Failure to State a Claim)

1. The causes of action alleged in the Complaint fail to state facts sufficient to constitute a valid cause of action against the Individual Andersen Defendants. Among other things, the Complaint fails to plead fraud with particularity as required by Rule 9(b) of the Federal Rules of Civil Procedure and the Private Securities Litigation Reform Act (“PSLRA”), and fails to raise a strong inference of scienter as required by the PSLRA. The Complaint further fails to plead facts sufficient to plead that the Individual Defendants controlled Andersen for purposes of Section 20(a) of the Securities Exchange Act of 1934, as required by the PSLRA and the Federal Rules of Civil Procedure.

## **SECOND SEPARATE AND AFFIRMATIVE DEFENSE**

(Lack of Particularity)

2. The lack of particularity in the Complaint makes it impossible for the Individual Andersen Defendants to determine at this time which additional defenses they may have, and the Individual Andersen Defendants reserve the right to assert all applicable defenses once the precise nature of the relevant circumstances or events is determined through discovery.

## **THIRD SEPARATE AND AFFIRMATIVE DEFENSE**

(Fraud of Others)

3. If the averments of the Complaint are true, which the Individual Andersen Defendants deny, Andersen and the Individual Andersen Defendants were victims of fraud, deceit, misrepresentations, concealment, negligence and/or breach of contract practiced upon them by others, including Enron, in that information relating to Enron and related entities was not provided to Andersen and/or the Individual Andersen Defendants and/or was knowingly concealed from Andersen and/or the Individual Andersen Defendants while Andersen and/or the Individual Andersen Defendants were rendering professional services

#### **FOURTH SEPARATE AND AFFIRMATIVE DEFENSE**

(Contribution and Indemnification)

4. Under the principles of contribution and indemnity, persons or entities other than the Individual Andersen Defendants are wholly or partially responsible for the purported damages, if any, Plaintiffs may have sustained.

#### **FIFTH SEPARATE AND AFFIRMATIVE DEFENSE**

(Intervening or Superseding Acts of Third Parties or other Defendants)

5. Plaintiffs' damages, if any, resulted from the acts or omissions of third parties or other Defendants over whom the Individual Andersen Defendants had no control. The acts of such third parties or Defendants constitute intervening or superseding causes of the harm, if any, suffered by Plaintiffs.

#### **SIXTH SEPARATE AND AFFIRMATIVE DEFENSE**

(Class Action)

6. Plaintiffs' claims against the Individual Andersen Defendants are barred because this action cannot be maintained as a class action pursuant to Rule 23 of the Federal Rules of Civil Procedure.

#### **SEVENTH SEPARATE AND AFFIRMATIVE DEFENSE**

(Statute of Limitations)

7. Plaintiffs' claims against the Individual Andersen Defendants are barred, in whole or in part, by the applicable statutes of limitations.

#### **EIGHTH SEPARATE AND AFFIRMATIVE DEFENSE**

(Waiver)

8. Plaintiffs, by acts, omissions and/or conduct, have waived, in whole or in part, their right to obtain the relief sought in the Complaint.

#### **NINTH SEPARATE AND AFFIRMATIVE DEFENSE**

(Unclean Hands)

9. Plaintiffs' claims against the Individual Andersen Defendants are barred, in whole or in part, by the doctrine of unclean hands.

#### **TENTH SEPARATE AND AFFIRMATIVE DEFENSE**

(Estoppel)

10. Plaintiffs, by acts, omissions, and/or conduct, are estopped, in whole or in part from obtaining the relief sought in the Complaint.

#### **ELEVENTH SEPARATE AND AFFIRMATIVE DEFENSE**

(Adequate Remedy at Law)

11. Plaintiffs' claims for injunctive relief are barred because Plaintiffs have an adequate remedy at law.

#### **TWELFTH SEPARATE AND AFFIRMATIVE DEFENSE**

(Laches)

12. Plaintiffs' claims against the Individual Andersen Defendants are barred, in whole or in part, by the doctrine of laches.

#### **THIRTEENTH SEPARATE AND AFFIRMATIVE DEFENSE**

(Prior Knowledge)

13. At the time Plaintiffs acquired shares of Enron stock, Plaintiffs had actual or constructive knowledge of the alleged omissions or misstatements, and therefore the Individual Andersen Defendants are not subject to liability.

#### **FOURTEENTH SEPARATE AND AFFIRMATIVE DEFENSE**

(Failure to Mitigate Damages)

14. Plaintiffs have failed to fulfill their duty to mitigate, reduce, or otherwise avoid the alleged damages, and Plaintiffs are therefore barred from recovering such damages, if any.

#### **FIFTEENTH SEPARATE AND AFFIRMATIVE DEFENSE**

(Assumption of the Risk)

15. Plaintiffs knew that the purchase of Enron's securities involved risk and voluntarily assumed such risk.

## **SIXTEENTH SEPARATE AND AFFIRMATIVE DEFENSE**

(Lack of Standing)

16. Plaintiffs lack standing to bring the causes of action asserted in the Complaint.

## **SEVENTEENTH SEPARATE AND AFFIRMATIVE DEFENSE**

(Publicly Available Information)

17. Plaintiffs' claims against the Individual Andersen Defendants are barred on the ground that the matters alleged to be the subject of misrepresentations and/or omissions were publicly disclosed and/or were in the public domain, and, as such, were available to Plaintiffs and/or the securities market.

## **EIGHTEENTH SEPARATE AND AFFIRMATIVE DEFENSE**

(Lack of Justifiable Reliance)

18. Plaintiffs' claims against the Individual Andersen Defendants are barred, in whole or in part, due to Plaintiffs' lack of justifiable reliance in that Plaintiffs did not purchase or sell any securities in reasonable or justifiable reliance on any representation, act, or omission by Andersen or the Individual Andersen Defendants.

## **NINETEENTH SEPARATE AND AFFIRMATIVE DEFENSE**

(Lack of Causation)

19. Plaintiffs' claims against the Individual Andersen Defendants are barred because the Individual Andersen Defendants did not directly or proximately cause or contribute to any damage, loss or injury sustained by Plaintiffs.

## **TWENTIETH SEPARATE AND AFFIRMATIVE DEFENSE**

(No Aiding and Abetting Liability)

20. Plaintiffs' claims against the Individual Andersen Defendants are barred by *Central Bank of Denver v. First Interstate Bank of Denver*, 511 U.S. 164 (1994).

## **TWENTY-FIRST SEPARATE AND AFFIRMATIVE DEFENSE**

(Failure to Use Due Care)

21. Plaintiffs failed to use due care in determining whether to invest in Enron and thus the Individual Andersen Defendants are not subject to liability.

## **TWENTY-SECOND SEPARATE AND AFFIRMATIVE DEFENSE**

(Lack of Control)

22. The Individual Andersen Defendants may not be held liable under Section 15 of the Securities Act of 1933 and Section 20 of the Securities and Exchange Act of 1934 since the Individual Andersen Defendants did not have the lawful authority to control or influence Andersen within the meaning of those statutory provisions.

## **TWENTY-THIRD SEPARATE AND AFFIRMATIVE DEFENSE**

(Reasonable Investigation)

23. With respect to any registration statement or prospectus of Enron purportedly made upon Andersen or the Individual Andersen Defendants' authority as experts or purporting to be a copy of or an extract from a report of Andersen or the Individual Andersen Defendants, Andersen and the Individual Andersen Defendants had, after reasonable investigation, reasonable grounds to believe at the time that such part of such documents became effective, that the statements therein were true and there was no omission of a material fact required therein or necessary to make the statements therein not misleading.

## **TWENTY-FOURTH SEPARATE AND AFFIRMATIVE DEFENSE**

(No Intent to Defraud)

24. If any alleged representation of Andersen or the Individual Andersen Defendants contained any untrue statement of material fact, or omitted to state a material fact, which the Individual Andersen Defendants deny, Andersen and the Individual Andersen Defendants did not know, and in exercise of reasonable care could not have known, of such untruth or omission, and did not act with intent to defraud the Plaintiffs, or anyone, with respect thereto.

## **TWENTY-FIFTH SEPARATE AND AFFIRMATIVE DEFENSE**

(Failure to Join Necessary Parties)

25. The Individual Andersen Defendants affirmatively allege that Plaintiffs have failed to join necessary and indispensable parties.

## **TWENTY-SIXTH SEPARATE AND AFFIRMATIVE DEFENSE**

(Proportional Allocation of Fault)

26. Any damage, loss or liability sustained by Plaintiffs must be reduced, diminished, and/or eliminated in proportion to the wrongful or negligent conduct of entities or individuals other than the Individual Andersen Defendants under the principles of equitable allocation, recoupment, set-off, proportionate responsibility, and comparative fault including under the proportionate liability provisions of Section 21(D)(f)(2)(B) and 21D(f)(3) of the Securities Exchange Act of 1934 and/or Chapter 33 or the Texas Civil Practice and Remedies Code.

## **TWENTY-SEVENTH SEPARATE AND AFFIRMATIVE DEFENSE**

(Reliance on Experts)

27. In rendering auditing and accounting services to Enron and its subsidiaries, Andersen and the Individual Andersen Defendants were entitled to and did reasonably rely on the work, conclusions and advice provided by agents of Enron and other professionals.

## **TWENTY-EIGHTH SEPARATE AND AFFIRMATIVE DEFENSE**

(Reliance on Regulatory Authorities)

28. Plaintiffs' claims against the Individual Andersen Defendants are barred because the acts alleged were ratified or approved by the Securities and Exchange Commission and/or other state and federal regulatory agencies or entities.

## **TWENTY-NINTH SEPARATE AND AFFIRMATIVE DEFENSE**

(Offset of Damages)

29. Any recovery for damages allegedly incurred by Plaintiffs, if any, is subject to offset in the amount of any tax benefit actually received by Plaintiffs through their



investments.

### **THIRTIETH SEPARATE AND AFFIRMATIVE DEFENSE**

(Lack of Impact on Market Price)

30. Plaintiffs' claims against the Individual Andersen Defendants are barred, in whole or in part, because the purported misstatements or omissions alleged in the Complaint that are attributed to Andersen and/or the Individual Andersen Defendants did not affect the market price of Enron securities.

### **THIRTY-FIRST SEPARATE AND AFFIRMATIVE DEFENSE**

(Single Award of Damages)

31. Plaintiffs can obtain only one award of damages under either the federal securities laws or pendant state claims.

### **THIRTY-SECOND SEPARATE AND AFFIRMATIVE DEFENSE**

(Materiality)

32. The Individual Andersen Defendants are not liable to Plaintiffs because any alleged misrepresentations or omissions for which Andersen and/or the Individual Andersen Defendants are allegedly responsible were not material.

### **THIRTY-THIRD SEPARATE AND AFFIRMATIVE DEFENSE**

(Attorneys' Fees Not Recoverable)

33. Plaintiffs are precluded from recovering attorneys' fees from the Individual Andersen Defendants under applicable provisions of law.

### **THIRTY-FOURTH SEPARATE AND AFFIRMATIVE DEFENSE**

(State Law Claims)

34. Plaintiffs' state law claims against the Individual Andersen Defendants are barred under the Securities Litigation Uniform Standards Act.

### **THIRTY-FIFTH SEPARATE AND AFFIRMATIVE DEFENSE**

(Claims Non Actionable under PSLRA)

35. The claims alleged in the Complaint are non-actionable to the extent that the alleged untrue statements of material fact, omissions of material fact, misleading statements,

and/or other challenged statements made by Defendants fall within the Safe Harbor provisions of the Private Securities Litigation Reform Act.

**THIRTY-SIXTH SEPARATE AND AFFIRMATIVE DEFENSE**

(Good Faith)

36. If Andersen is liable for violations of the securities laws, which the Individual Andersen Defendants deny, the Individual Defendants are not liable as control persons under Section 20 of the Securities Exchange Act of 1934 because they acted in good faith and did not directly or indirectly induce the act or acts constituting such violation or cause of action.

**THIRTY-SEVENTH SEPARATE AND AFFIRMATIVE DEFENSE**

(Additional Defenses)

37. The Individual Andersen Defendants hereby adopt and incorporate by reference any and all other defenses asserted, or that may hereafter be asserted, by any other defendant to the extent such defense may be applicable to the Individual Andersen Defendants.

**WHEREFORE**, the Individual Andersen Defendants seek judgment:

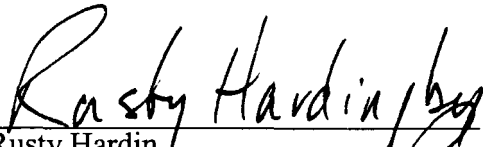
- A. dismissing with prejudice all claims asserted against the Individual Andersen Defendants;
- B. awarding the costs of defending this action, including reasonable attorneys' fees, costs and disbursements; and

C. granting such other and further relief as this Court may deem just and proper.

**THE INDIVIDUAL ANDERSEN DEFENDANTS REQUEST A TRIAL BY JURY**

Dated: February 11, 2003

Respectfully submitted,

  
Rusty Hardin  
State Bar No. 08972800  
S.D. Tex. I.D. No. 19424  
1201 Louisiana, Suite 3300  
Houston, Texas 77002-5809  
(713) 652-9000  
(713) 652-9800 (fax)  
*Amended with permission.*

Attorney-in-Charge for Defendants  
Michael L. Bennett, Joseph F. Berardino,  
Gary B. Goolsby, Michael D. Jones,  
Benjamin S. Neuhausen, Richard R.  
Petersen, John E. Stewart, and William E.  
Swanson

**OF COUNSEL**

Andrew Ramzel  
State Bar No. 00784184  
S.D. Tex. I.D. No. 18269  
RUSTY HARDIN & ASSOCIATES, P.C.  
1201 Louisiana, Suite 3300  
Houston, Texas 77002-5809  
(713) 652-9000  
(713) 652-9800 (fax)

Sharon Katz  
DAVIS POLK & WARDWELL  
450 Lexington Avenue  
New York, New York 10017  
(212) 450-4000  
(212) 450-3633 (fax)

Respectfully submitted,

*Billy Shepherd* by *Amzel*  
Billy Shepherd  
State Bar No. 18219700  
S.D. Tex. I.D. No. 10666  
*with permission.*

600 Travis Street, Suite 3900  
Houston, Texas 77002-2910  
(713) 650-6600  
(713) 650-1720 (fax)

Attorney-in-Charge for Defendants  
Debra A. Cash, D. Stephen Goddard, Jr.,  
Michael C. Odom, and Michael M. Lowther

OF COUNSEL

CRUSE, SCOTT, HENDERSON & ALLEN, LLP  
600 Travis Street, Suite 3900  
Houston, Texas 77002-2910  
(713) 650-6600  
(713) 650-1720 (fax)

Dennis H. Tracey (*pro hac vice*)  
David Wertheimer (*pro hac vice*)  
Brad M. Johnston (*pro hac vice*)  
HOGAN R. HARTSON LLP  
875 Third Avenue  
New York, New York 10022  
(212) 918-3000  
(212) 918-3100 (fax)  
For Defendant Debra A. Cash


Michael Warden (*pro hac vice*)  
SIDLEY AUSTIN BROWN & WOOD LLP  
875 Third Avenue  
New York, New York 10022  
(212) 918-3000  
(212) 918-3100 (fax)  
For Defendant D. Stephen Goddard, Jr.

Gary A. Orseck (*pro hac vice*)  
Lawrence S. Robbins (*pro hac vice*)  
ROBBINS, RUSSELL, ENGLERT, ORSECK & UNTEREINER LLP  
1801 K. Street, N.W., Suite 411  
Washington, D.C. 20006  
(202) 775-4500  
(202) 775-4510 (fax)  
For Defendant Michael M. Lowther

Eliot Lauer (*pro hac vice*)  
Benard V. Preziosi, Jr. (*pro hac vice*)  
CURTIS, MALLEY-PREVOST, COLT & MOSLE LLP  
101 Park Avenue  
New York, New York 10178-0061  
Telephone: (212) 696-6000  
Facsimile: (212) 697-1559  
For Defendant Michael C. Odom

**CERTIFICATE OF SERVICE**

I certify that on this 11<sup>th</sup> day of February, 2003, a true and correct copy of the foregoing pleading was served on all counsel pursuant to the Court's service orders.

  
\_\_\_\_\_  
Andrew Ramzel